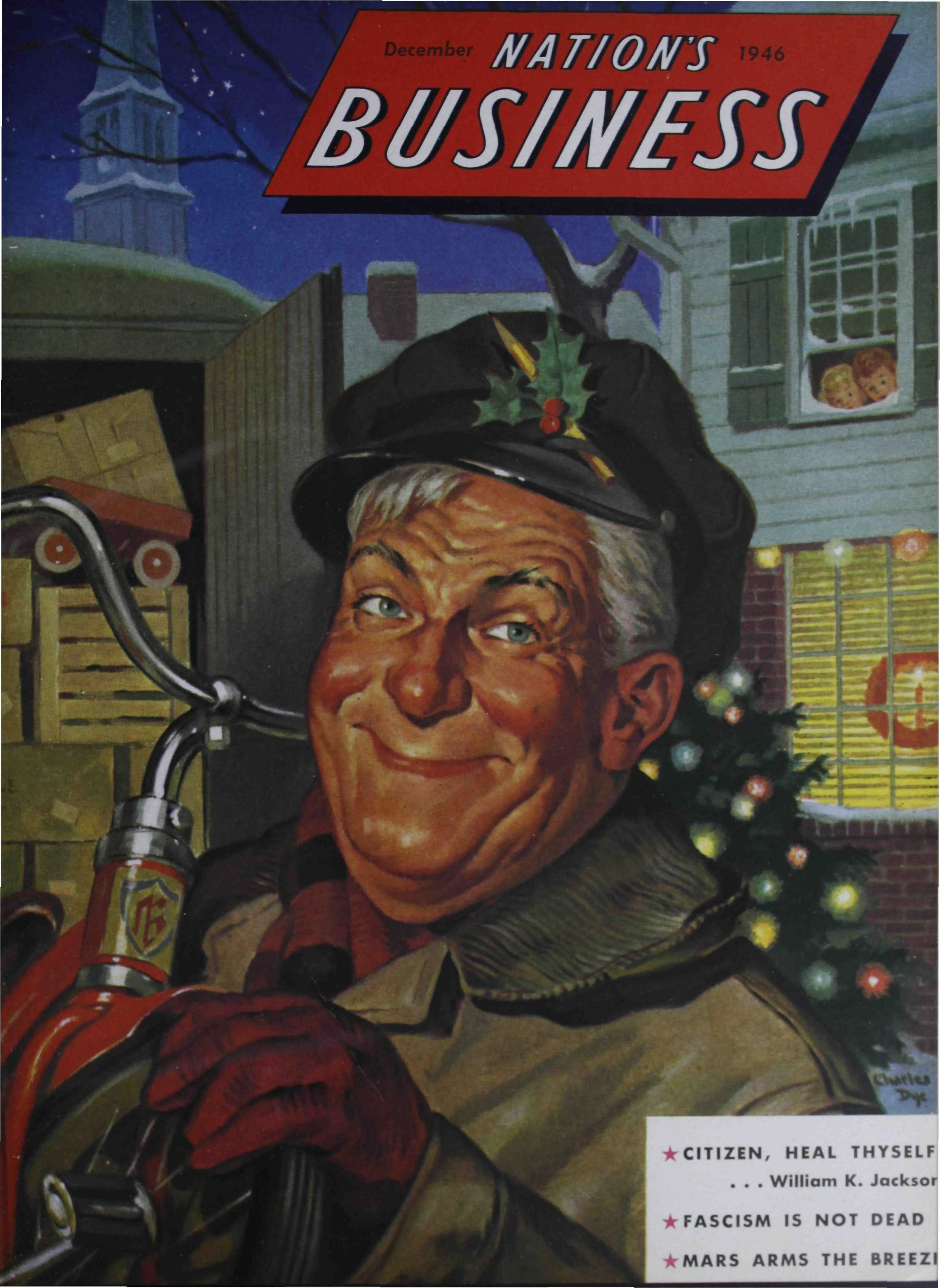


December

NATION'S

1946

BUSINESS



★ CITIZEN, HEAL THYSELF

. . . William K. Jackson

★ FASCISM IS NOT DEAD

★ MARS ARMS THE BREEZE



Winter Wonderland

IN OLD QUÉBEC



Crisp tonic air... dry powder snow... skiing at its glorious best at Lac Beauport Snow Bowl and nearby Valcartier... skating and tobogganing, too. And you can spend fascinating hours just "seeing the sights" and exploring quaint shops for handicrafts and homespun.

In the heart of this 17th century city, the historic Chateau Frontenac offers everything to make your stay complete. Gay social life, blazing log fires—relaxation in an old world atmosphere amid modern comforts. "It's a Canadian Pacific hotel."



For full information consult any Canadian Pacific Railway office or your own agent.

Canadian Pacific



SPANS THE WORLD

A development of
B.F. Goodrich
FIRST IN RUBBER



New truck tire for light trucks will outwear prewar tires

A typical example of B. F. Goodrich product improvement

MORE than a year ago B. F. Goodrich announced a new tire for passenger cars that outwears prewar tires. Truck tires at that time still weren't as good.

Now a newly designed truck tire for light trucks, sizes 6.00-16 to 7.50-16 (those known as heavy-duty commercial) is announced. Substantial quantities have already been manufactured.

Its reinforcement is 100 per cent rayon cord. Like the new B. F. Goodrich passenger car tire, it has a wider, flatter tread that puts more rubber on the road, spreads the wear more

evenly. It outwears prewar tires and has greater resistance to bruising.

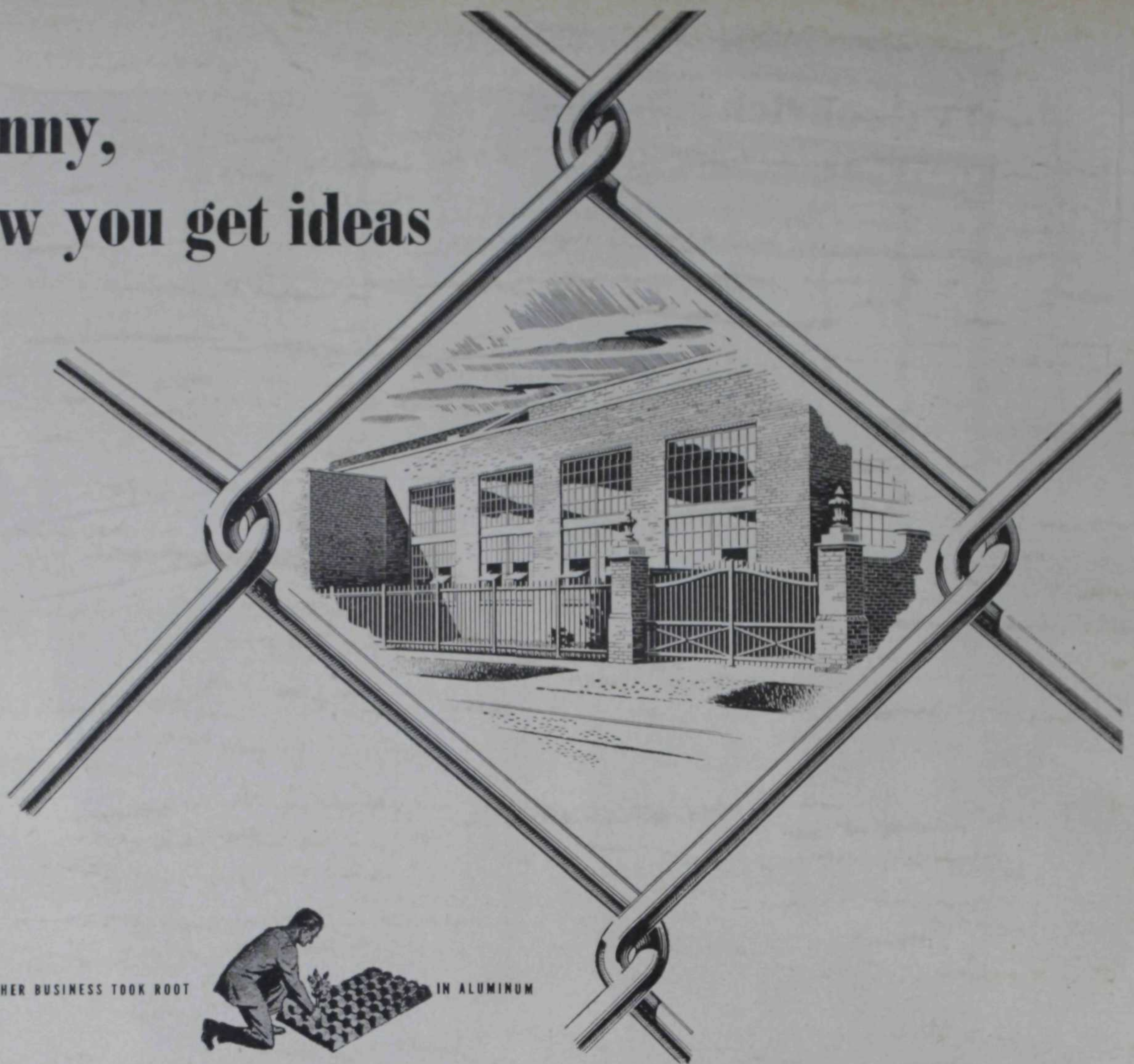
The rayon cord is weftless, which means there are no cross threads whatever. Cords are held only by the rubber itself. Each cord is straight, uniform in length and tension. No other tire manufacturer today uses weftless rayon.

Quantities of the new tire are limited at present. They will be increased as fast as new steel molds can be made. In the meantime, however, even those tires of older design have the weftless rayon cord. They are all better than

prewar tires in this respect. These new tires show how surely and how steadily tire improvement goes on at B. F. Goodrich. Even today's greatly increased tire production cannot keep up with the demand. It's best to check your needs well in advance and talk to your B. F. Goodrich dealer. *The B. F. Goodrich Company, Akron, Ohio.*

Truck Tires BY
B. F. Goodrich

Funny, how you get ideas



HOW ANOTHER BUSINESS TOOK ROOT

IN ALUMINUM

In 1925, Alcoa ordered a very special picket fence—made of aluminum. Page Steel and Wire Company* made it for them . . . a handsome fence.

Thinking about this picket fence, an *imagineer* sparked an idea. "Our specialty is steel chain link fence, but why can't we weave aluminum wire into fence fabric? It would be but $\frac{1}{3}$ as heavy as our standard product. Handling would be easier; there'd be no need to paint it—it won't rust. It should be a popular addition to our fence line."

But there were problems to solve. So Page Steel and Wire turned to Alcoa for help in finding an aluminum alloy with the right temper and strength to withstand the weaving of chain link fabric. They knew the manufacturing problems; Alcoa engineers could advise on alloys. Together,

they found the perfect alloy for the job. In 1930, the first aluminum chain link fence went on the market.

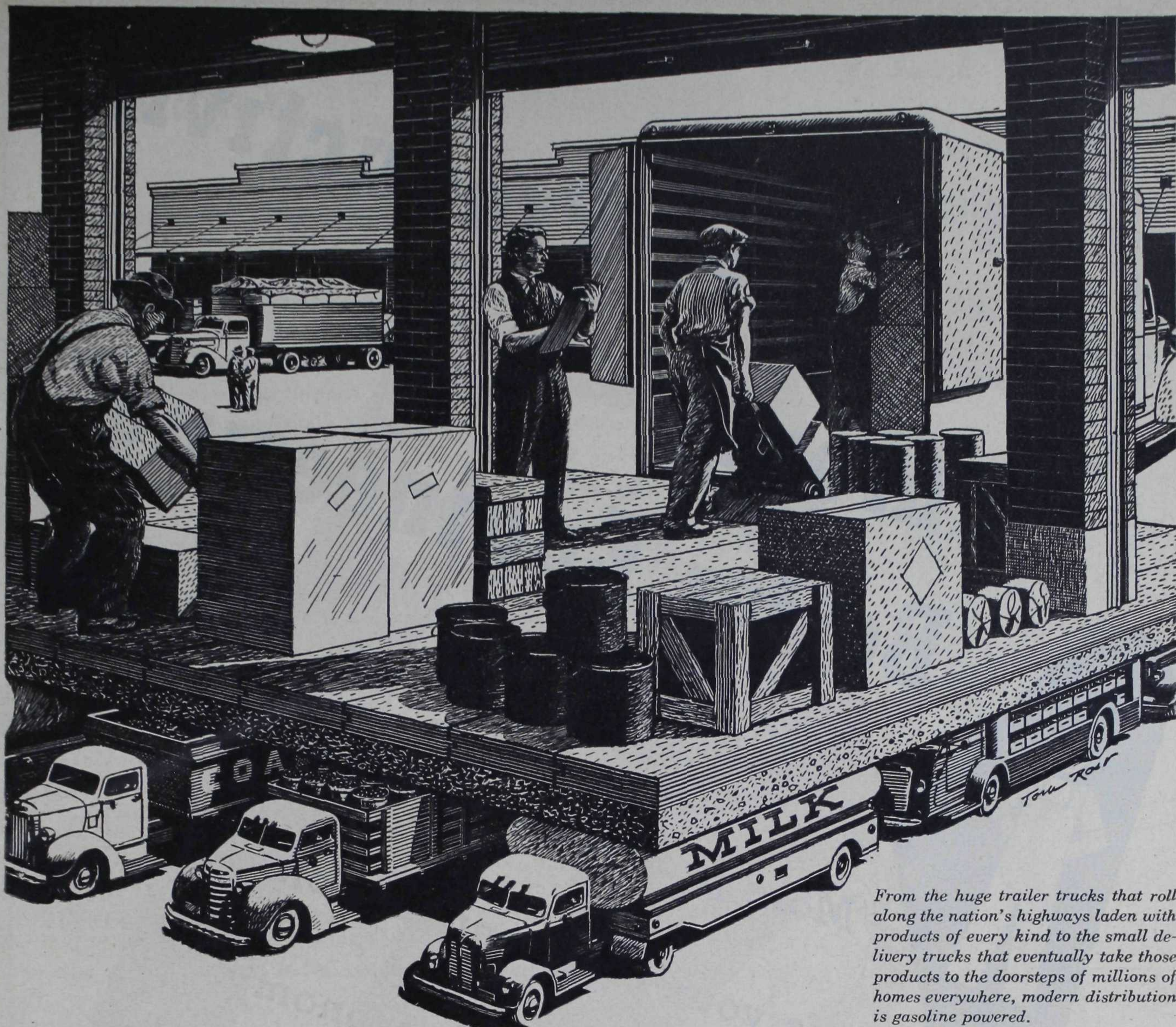
Today, they are selling miles of aluminum fabric—saving buyers many dollars in painting and maintenance costs. It is now a popular and profitable item in the line.

Look closely at the products you make—with Alcoa engineers at your side. Funny, how you get ideas that click when men with imagination plus engineering—"Imagineering" as we like to call it at Alcoa—work with this versatile metal and with the greatest fund of aluminum knowledge in the world—Alcoa's. ALUMINUM COMPANY OF AMERICA, 2125 Gulf Building, Pittsburgh 19, Pennsylvania. Sales offices in principal cities.

*Division of American Chain & Cable Company, Inc., Monessen, Pennsylvania

ALCOA FIRST IN ALUMINUM





From the huge trailer trucks that roll along the nation's highways laden with products of every kind to the small delivery trucks that eventually take those products to the doorsteps of millions of homes everywhere, modern distribution is gasoline powered.

Distribution cost depends on gasoline

ONE WAY to make money is to manufacture a product and sell it in volume at a profit. But between the making and the selling comes the problem of *distributing* it economically to the nation's markets. To do this, America's business men are depending more each year on gasoline power. And the more they depend on trucks to deliver goods to wholesalers, retailers and homes, the more value they get from each reduction in the cost of gasoline transportation.

During the past twenty years this cost has been reduced substantially. Gasoline itself costs less per gallon than it did in 1926 *in spite of* increased taxes. And by producing increasingly *better* gasoline—through improved refining methods and the use of antiknock fluid made by Ethyl—refiners have made possible the development of more powerful engines that provide better, more economical transportation.

Nor have the limits of fuel and engine progress been reached by any means. As oil refiners will continue to

improve gasoline, automotive engineers will design engines capable of converting its extra available power into greater payloads, faster schedules, lower delivery costs. It is toward this end that Ethyl research engineers, today as in years past, are working in close cooperation both with oil companies and with automotive companies. Ethyl Corporation, Chrysler Building, New York 17, New York.

More power from every gallon
of gasoline through

ETHYL



Research · Service · Products

Greater Productivity through Better Engineering



More production per man hour
is your best contribution
to your nation's economy.

YOU'VE GOT TO SPEND MONEY TO MAKE MONEY

GEORGE S. MAY COMPANY

The World's Finest Business Engineering

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Chicago 11

122 E. 42nd St.
New York 17

291 Geary Street
San Francisco 2

660 St. Catherine Street, West
Montreal, Quebec, Canada

OFFICES IN OTHER PRINCIPAL CITIES

Nation's



Business

PUBLISHED BY

CHAMBER OF COMMERCE OF THE UNITED STATES

VOL. 34

DECEMBER, 1946

NO. 12

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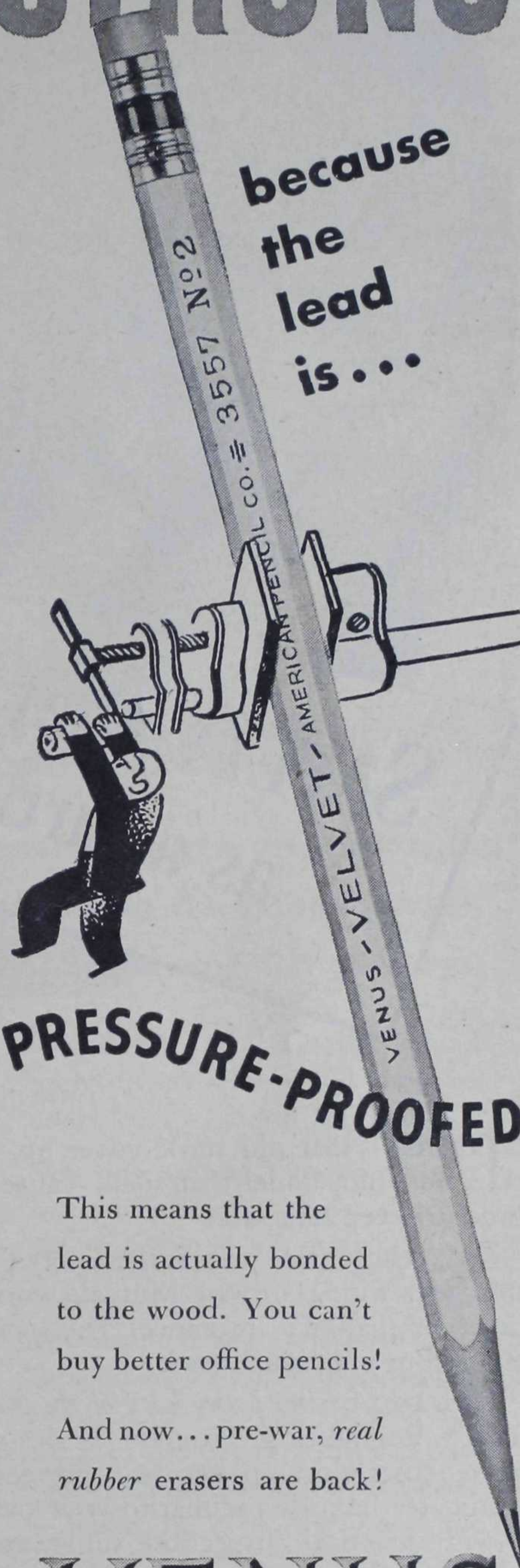
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VENUS VELVET

PENCILS ARE

STRONG

because
the
lead
is...



PRESSURE-PROOFED

This means that the lead is actually bonded to the wood. You can't buy better office pencils!

And now... pre-war, real rubber erasers are back!

VENUS

-by the makers of the famous VENUS Pens

AMERICAN LEAD PENCIL COMPANY



SAFETY-that fits as well
as a turtle's shell

The *Policy Back of the Policy*—Our way of doing business
that makes *your* interests our first consideration

"**L**OOKIT that old turtle cover up, Sandy! You can't hurt him under that shell, 'cause it's just made to order to keep him safe!"

"Made to order," too, is the Safety Engineering Service that goes with Hardware Mutuals workmen's compensation and liability insurance. This *plus service* is safety-tailored to individual needs.

As a part of the *policy back of the policy*, our Safety Engineering Program is designed to lower costs through accident prevention. It eliminates hazards peculiar to your own plant—with practical inspection suggestions and expert foreman and employe safety training.

Economy, also, is assured by the *policy back of the policy*. Care in selecting risks has enabled Hardware Mutuals to return over \$100,000,000 in dividend savings to policyholders since organization. And Hardware Mutuals Claims

Service, with its promptness, sympathy and fairness, is a strong factor in building good employe relations.

Savings, service and improvements in safety have characterized all types of Hardware Mutuals insurance . . . Licensed in every state, offices coast to coast. Send for our free booklet, "Industrial Safety Procedure."

*Automobile, Workmen's Compensation and other forms of
non-assessable Casualty and Fire Insurance*

Hardware Mutuals

FEDERATED HARDWARE MUTUALS

*Hardware Dealers Mutual Fire Insurance Company, Home Office, Stevens Point, Wisconsin
Mutual Implement and Hardware Insurance Company, Home Office, Owatonna, Minnesota*

HARDWARE MUTUAL CASUALTY COMPANY

Home Office, Stevens Point, Wisconsin

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About Our Authors

William K. Jackson: is the president of the United States Chamber of Commerce. He is also a vice president and director of the United Fruit Company and director of various subsidiary companies. In addition, Mr. Jackson is a director of both the National Foreign Trade Council and World Peace Foundation, a member of the council of the United States Associates and the International Chamber of Commerce. At one time he was the Canal Zone's prosecuting attorney, later U. S. attorney there.

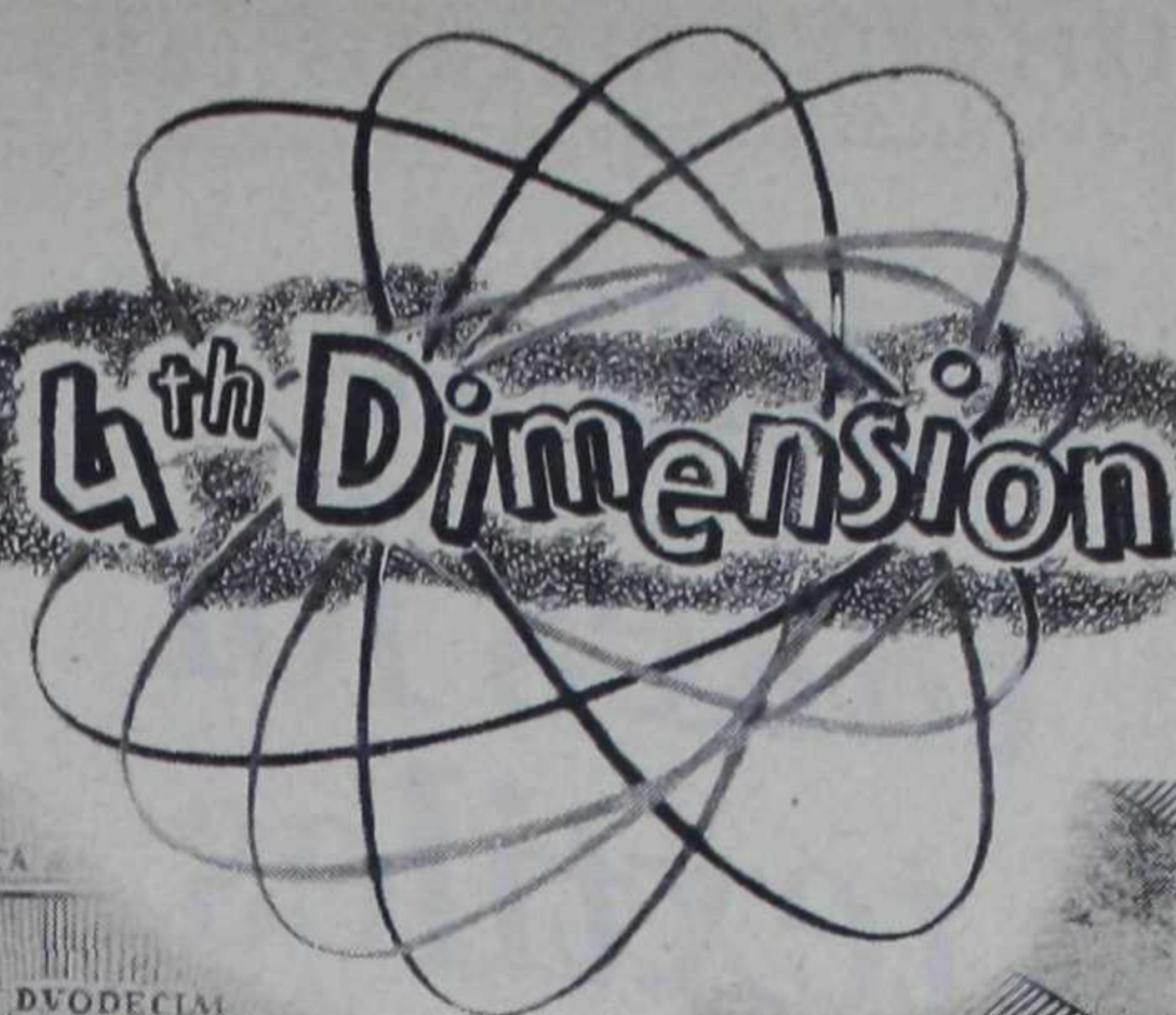
Herbert L. Matthews: chief of the New York Times' London Bureau since June, 1945, has been with the *Times* for almost a quarter century. Starting out as a reporter, he later became a foreign editor—Paris, Rome, India—and war correspondent—the Abyssinian War, the Spanish Civil War and the Italian campaign of World War II. He is the author of several books: "Eyewitness in Abyssinia," 1937; "Two Wars and More to Come," 1938; "The Fruits of Fascism," 1943; "The Education of a Correspondent," 1946.

Howard Whitman: is a free-lance writer whose articles have appeared in many publications. His career in journalism began and almost ended during his undergraduate days at Western Reserve University. He founded a magazine called *Power House*, which backfired when he ran an article attacking the faculty. For a while he was on the brink of expulsion. After college he worked for the *Paris Herald* and later the *London Daily Express*. His article "Labor Relations Go to College," appears on page 41.

Elmer Wheeler: is the founder of a laboratory where words are tested to make sales more accurate and faster. Early in life Wheeler learned the value of saying "the right thing at the right time; and doing the right thing at the right time, to make two sales grow where only one existed before." He was recently voted "the most popular speaker in America" in a survey of 500 luncheon clubs by a national magazine.

Harold Helfer: who has written "They Find Business Sky High" on page 53, spent a dozen years on the Birmingham (Alabama) *Post* as reporter and columnist. His newspaper career was terminated during the war when he entered the Marine Corps. On completion of boot training he was assigned to the staff of *Leatherneck*. Now a civilian after more than three years of service, he has been free-lancing.

PETROLEUM, TOO, HAS ITS-



Cities Service scientists are constantly at work enlarging the uses of petroleum, heightening its effectiveness, making it serve you in an ever-growing list of ways.

"Aye, 'tis an excellent substitute for good whale oil!"

So reasoned the first discoverers of the earth's black gold. It had value as a lubricant, yes! It might also serve as a nostrum for rheumatism, chilblains, gout, falling hair . . . But that was the end of it!

Not so, said Science . . .

Today, for example, Cities Service is represented in the markets of the world by products ranging all the way from gasoline to plastics, machine oil to detergents, insecticides

to explosives...and all of these amazingly diverse and useful products come from a base of petroleum.

Yet, this is ONLY the beginning, folks!

Cities Service petroleum experience goes back almost as far as the petroleum industry itself—and habits are hard to break! It has always been a Cities Service habit to pioneer. In the future, as in the past, you will find Cities Service research foremost in exploring each new dimension of SERVICE.

CITIES SERVICE OILS

New York, N. Y. • Chicago, Ill.

In the South: Arkansas Fuel Oil Co., Shreveport, La.



What it takes for textiles



Hercules Land furnishes a major share of the chemical materials it takes to produce synthetic fibers and finished fabrics.

For example, Hercules Cellulose Acetate is the basis for rayons that may be sheer and soft yet highly resistant to frequent washing. Pine Oil and Pine Oil Derivatives are used in de-lustering rayon, as wetting agents for fulling and scouring wools, and for virtually all wet-processing operations. Hercules Chemical Cotton produces the tough viscose rayon fibers from which tire cords are made. Rapid-drying and durable fabric coatings are made with Hercules Nitrocellulose and Ethyl Cellulose.



It will pay you to know more about Hercules. Write for the new 18-page illustrated book, "A Trip through Hercules Land".

HERCULES POWDER COMPANY

947 Market Street, Wilmington 99, Delaware

HERCULES



CHEMICAL MATERIALS
FOR INDUSTRY

Q-71

NB

Notebook



95 billion

AS CASH registers ring up the last sales on Christmas Eve they will be adding the final figures to a record holiday business and a dizzy total of almost \$95,000,000,000 for Retail-1946—not quite double the \$48,500,000,000 of 1929.

So, when there is talk of chaos and confusion, skullduggery and whatnot, let it be remembered that \$95,000,000,000 worth of merchandise does not get into the hands of customers without a fairly good measure of cooperation between management and labor, manufacturer and merchant.

From cooperation springs good will, and good will was promised from the skies over Bethlehem. Merry Christmas.

Pipelines and parts

TWO interesting theories are being discussed right now having to do with the industrial outlook. One holds that producers will soon have to find customers for the extra goods which are now going into supply pipelines. The second maintains that, once the bottlenecks of material and component shortages are broken, finished products will rush into the market place.

The impact of this flood of supply is expected to shake the price structure severely.

The possibilities outlined by these theories would seem to paint a dark picture, indeed, except that lower prices usually attract more customers, especially when these customers have money and few instalment debts to pay. What may happen, it would seem, is a brief shakedown and a straightening out for a long pull of prosperity.

Critics would boast

IN AN address before the Boston Conference on Distribution in

which he detailed how dictatorships first wiped out the free press and then found it easy to smother other freedoms, Arthur Hays Sulzberger, publisher of The New York Times, disposed of a common criticism of the American system in these words:

"It has been said in reproach of free enterprise in the United States that one-third of our people are ill-fed, ill-housed and ill-clothed. The rebuke was deserved and needed to be stated. The American people needed to be aroused to an effort to do better by this underprivileged one-third. The reproach could not then, and cannot now, be dismissed. At the same time, it must be acknowledged that in many parts of the world today, where other economic systems prevail, what was phrased as a reproach to American enterprise would be stated with pride—a boast that only one-third of the people were ill-housed, ill-fed and ill-clothed."

Price lining

NOW that "price ceiling" is disappearing as a common expression, retail authorities have a notion that price lining will turn up as a substitute. To laymen it may be explained that price lining as developed by the large stores is the business of fitting prices to the three main income groups—low, medium and high. Otherwise it is finding the price that promises the most volume and shaping up the best values in design, material and workmanship that can be sold at that price.

Where manufacturers are concerned there may still be a period during which the usual mark-up will be added to rising costs. Then some producers will make it their business to find out what prices will sell a whole lot more goods, à la Ford some years ago. These manu-

facturers will thereupon shift from a cost-plus basis to trying for a bull's-eye on the mass market target.

Per man-hour

IF ONE was asked to give the one big reason for American industrial supremacy, he would not go far wrong if he said, "Output per man-hour." That would be end-result of the investment of tool owners, new and improved machinery, application of power, engineering and production planning, marketing, promotion and the whole complex process of getting mass output to mass markets.

Output per man-hour, under its other name of productivity, has been to the fore in discussions over recent months. Surveys have shown that unit labor costs have climbed well over their prewar levels. One canvass revealed an average increase of 35 per cent. However, as the head of the Bureau of Labor Statistics, which issued a series of studies, points out, mere figures do not tell the real story.

Workers may not be loafing on the job. They may be waiting for needed materials or idle because worn-out machines have broken down. Processing slows up when the product is changed, when new products are started.

Over a reconversion period all these influences are especially marked. Maybe labor unrest and dissatisfaction have been dominant in the unit cost rise but no one actually knows and an effort has been launched to find out. After teaching mass production and its economies and benefits to the world, it would be a sad thing if we lost our leadership to our former pupils.

Reason for exports

RUMORS became widespread not long ago that some of our shortages could be traced to heavy export sales at premium prices. Various industries refuted these charges by citing the quota rules enforced by the Government. Only small percentages of output were involved.

Civilian Production Administrator Small, addressing members of The Cotton Textile Institute, mentioned a reason for quota exports which has probably escaped general attention. He said:

"Sometimes people ask, 'If cotton goods are so short, why do we export any of them?' The answer to that is easy—we export cotton

If your business needs more cash...



... learn how much more you can get, how little it costs and how long you can use it under our Commercial Financing Plan. Learn why manufacturers and wholesalers have used this plan to a total of more than One Billion Dollars in the past five years. Send for our new booklet, "A Better Way to Finance Your Business." No obligation. Just write or telephone the nearest Commercial Credit office listed below.

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Baltimore, New York, Chicago, Los Angeles, San Francisco, Portland, Ore.

COMMERCIAL CREDIT COMPANY

Capital and Surplus \$80,000,000

BALTIMORE 2, MD.

FINANCING OFFICES IN PRINCIPAL CITIES OF THE UNITED STATES AND CANADA



"Ring the pipe"

QUIZ: Why does a workman "ring" the pipe by blows with a hammer before lowering it into the trench?

ANSWER: Because it "rings clear," he knows that the rugged quality cast into the pipe at the foundry is unimpaired. This is a simple routine test. Preceding it, all the technical resources of modern laboratories have been drawn upon to ensure that cast iron pipe leaves the foundry in perfect condition to deliver the centuries of service with which it is endowed. Extra generations of service—a useful life far beyond that of other pipe used for underground mains—has made cast iron pipe known as "Public Tax Saver No. 1." Cast Iron Pipe Research Association, T. F. Wolfe, Engineer, 122 S. Michigan Avenue, Chicago 3, Illinois.

CAST IRON PIPE

SERVES



FOR CENTURIES

LOOK FOR THIS MARK

IT IDENTIFIES CAST IRON PIPE

goods because we have to. In many parts of the world today, money is less effective than cotton fabrics in stimulating production. We need rubber. The Malayan rubber worker doesn't want to work for cash if that money won't buy him anything—but he will work gladly for something he needs and wants."

Curiosity plus push

ACCORDING to a directory now being distributed by the National Research Council, there are 2,443 industrial research laboratories in the country, employing 133,515—90 per cent more than in 1940.

How to get the best results from these thousands of "brain trusts" was the question put to leading researchers by Dr. Karl T. Compton, president of Massachusetts Institute of Technology, in a personal canvass. His report on the replies from some of the biggest industrial companies and from other experts as well emphasized that these men of science were sure that you don't organize for research as you do for production or for selling.

They used no scientific jargon to make their points. "You get the best brains available, cultivate a friendly atmosphere, and let them alone," seemed to be the gist of the advice. "Young men preferred," was one slogan. "Because they haven't found out what you can't do."

And what are the requirements for a researcher. "Pure curiosity and push," was one terse reply.

Three R's

FIFTEEN years ago it was difficult to find an industrial plant with automatic merchandising equipment. Today it would be just as difficult to find one without such equipment. And Robert Z. Greene, president of the Rowe Companies, and president of the National Automatic Merchandising Association, maintains that the industry's code of ethics has made its machines more readily accepted.

The code can be expressed as the Three R's of automatic merchandising: Recognition, Respectability, Reliability.

The slot machine stigma has disappeared to the tune of \$500,000,000 worth of retail sales a year and at a recent convention Mr. Greene forecast \$3,000,000,000 within the next ten years. The industry comprises manufacturers and operators of vending machines. To draw the line sharper between their business and the

gaming and amusement machine industry, the merchants have considered withdrawing from future coin machine conventions.

"Working together"

MANY companies have attempted in one way or another to get the facts about "who makes how much and why" before their employees when, often enough, the employees were mainly interested in how they were doing themselves, and why. The National Blank Book Company of Holyoke, Mass., takes care of these questions with a booklet called "Your Pay Envelope—And How It Gets That Way."

The same title may have been used by some other concerns. The something new added by the Holyoke company is found in the subtitle, "An Explanation for You, Prepared by the Union and the Management Working Together." The 60 pages cover collective bargaining, job evaluation, settling piece rates, when and why piece rates are changed, how time studies are made, rates and wages, and costs and security.

Film facts

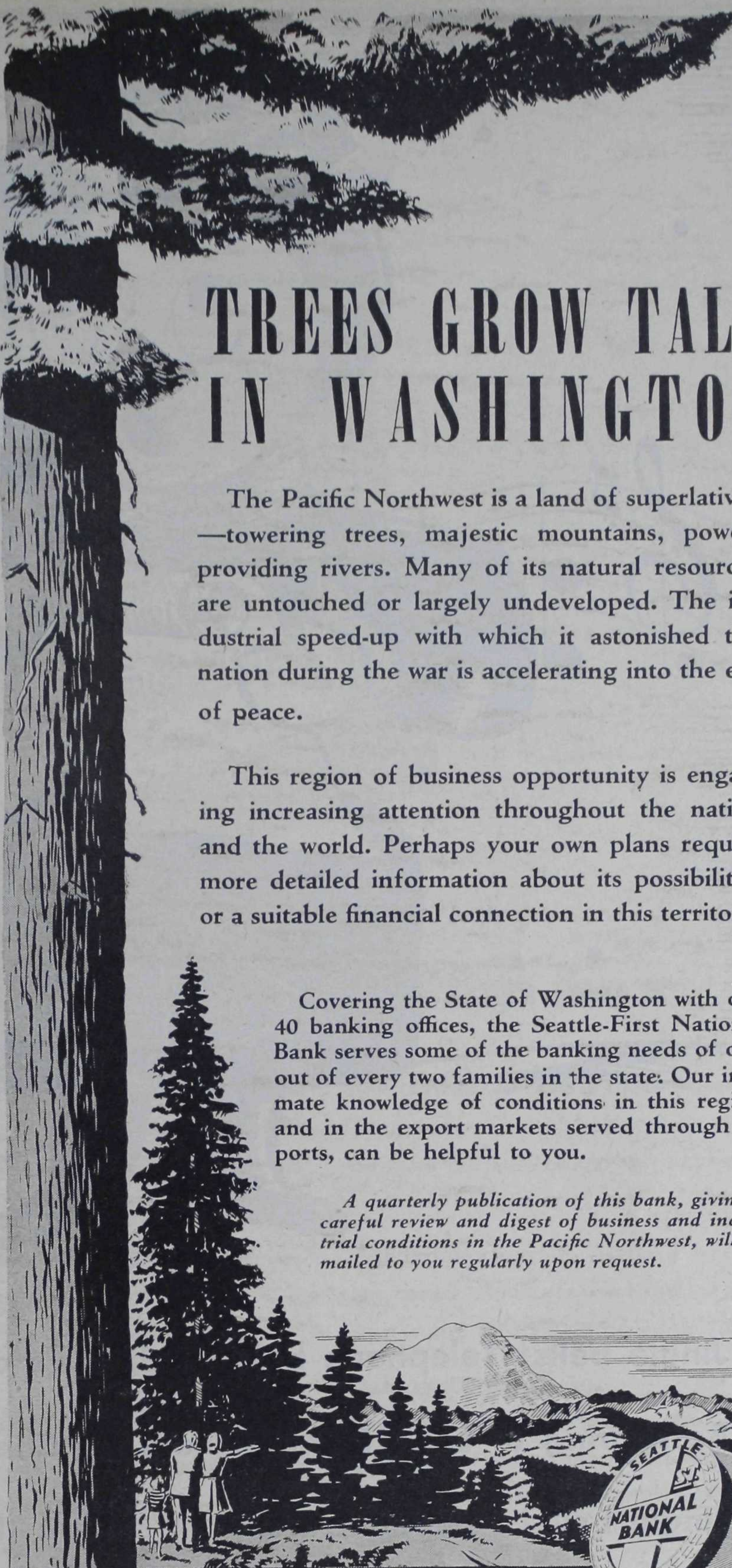
MANY husbands now can say, "I went to the movies, too" when their wives report at the supper table on a few hours spent at the neighborhood theater. "Business films," as they are called, have been jumping ahead since the war demonstrated what visual training could accomplish.

The Association of National Advertisers has prepared a comprehensive study based on personal interviews with 67 of the nation's leading users of business films and found that the new medium offers "distinct advantages and challenging new horizons in selling both the product and the company behind it."

Paul West, ANA president, commented: "It is most interesting to find that, after product selling, most members consider movies for institutional purposes of next importance. To attach so much weight to films as a public relations medium is entirely in keeping with the growing recognition of the significance of advertising as a vital tool for management."

However, the study did reveal that few of the 67 have broad programs under way for making themselves citizens of good standing in their plant communities.

"Yet, in every case except one, films play an important role in these programs," the study asserts.



TREES GROW TALL IN WASHINGTON

The Pacific Northwest is a land of superlatives—towering trees, majestic mountains, power-providing rivers. Many of its natural resources are untouched or largely undeveloped. The industrial speed-up with which it astonished the nation during the war is accelerating into the era of peace.

This region of business opportunity is engaging increasing attention throughout the nation and the world. Perhaps your own plans require more detailed information about its possibilities or a suitable financial connection in this territory.

Covering the State of Washington with our 40 banking offices, the Seattle-First National Bank serves some of the banking needs of one out of every two families in the state. Our intimate knowledge of conditions in this region and in the export markets served through its ports, can be helpful to you.

A quarterly publication of this bank, giving a careful review and digest of business and industrial conditions in the Pacific Northwest, will be mailed to you regularly upon request.

SEATTLE-FIRST NATIONAL BANK

Main Office — Seattle
Spokane and Eastern Division — Spokane

Member Federal Reserve System



Member FDIC



Jingle bells! Telephone bells! Yuletide's on the way,
Be sparing of Long Distance calls on Christmas Eve and Day.
Jingle bells! Telephone bells! A million thanks to you
For easing up on greeting calls so urgent calls get through!

BELL TELEPHONE SYSTEM





10 ideas for your suggestion box

Here are ten spots where you may be able to *save time, save money, and eliminate errors*. Why not check each of these ten departments or operations—

accounts payable	production
purchasing	ordering
invoicing	collections
Inventory	payroll
sales	shipping

—see how many times clerks write the same numbers, items, names, or

descriptions in each of these departments. Then see how much better this writing can be done the Addressograph way—not only in these departments but in many others.

The Addressograph method is the fastest, most accurate method of putting words and figures on business forms.

Call the nearest Addressograph representative for full information, for an analysis of your paperwork operations. Addressograph-Multigraph Corporation, Cleveland 17, Ohio.



Addressograph Class 1900—one of many models in a complete line.

Addressograph

TRADE-MARK REG U.S. PAT OFF

SIMPLIFIED BUSINESS METHODS

Addressograph and Multigraph are Registered Trade Marks of Addressograph-Multigraph Corporation

Every Business Needs at Least One

Jeep
Station
Wagon

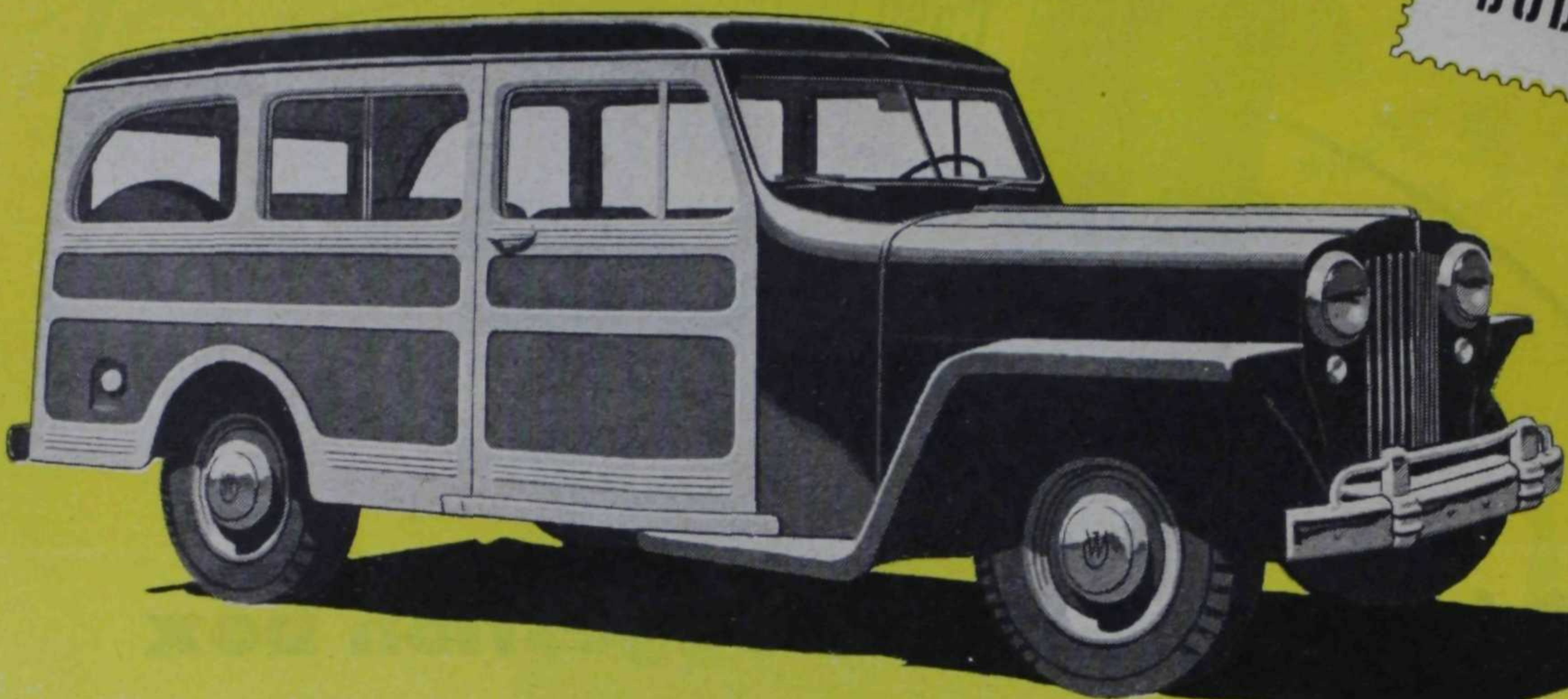


Carries guests and luggage for airport, hotel or camp.



Comfortable and economical company courtesy car.

**STEEL
BODY**



Large load space—98 cu. ft.—with seats removed.



Versatile utility car for photographers and newspapers.



Room for personnel and hard-to-carry equipment.

With 7 adult-size seats and 98 cubic feet of usable cargo space when seats are removed, the 'Jeep' Station Wagon is the all-around answer to any company's varied transportation needs.

It's a *practical* car—steel body and top for more safety, long-lasting finish and easier maintenance.

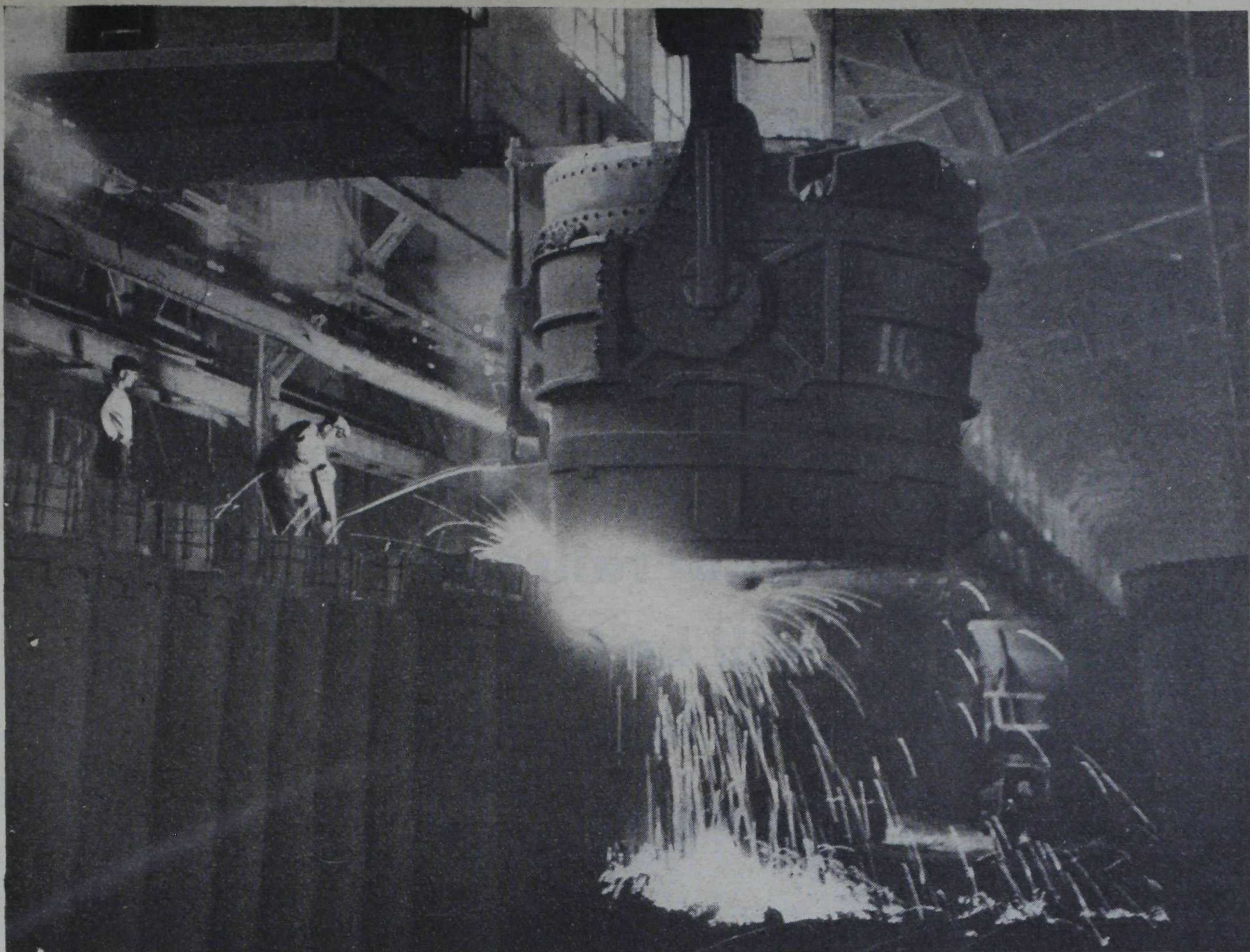
It's an *economical* car—long-lived 'Jeep' Engine and lower weight give minimum operating costs.

Whether you use one car or a fleet, see the 'Jeep' Station Wagon now at Willys-Overland dealers.

Willys-Overland Motors

MAKERS OF AMERICA'S MOST USEFUL VEHICLES

STEEL BODY AND TOP—SEATS FOR 7—'JEEP' ECONOMY



How do you feel a steel company's pulse?

The pulse of a business, telling whether it is ailing or healthy, is found in its records...in the figures that show its costs, sales, and profits.

This is as true for a great steel company as it is for a one-man store. In many of the country's foremost businesses, modern National Accounting-Bookkeeping Machines take the vital pulse-figures of business with surprising savings in money and man-hours.

The uses for these National accounting systems are as broad as accountancy itself. For example, one company with thousands of salaried employees spread through most of the States of the Union, set up a centralized system for paying all salaried employees using National Payroll machines. This not only makes

possible the speedier and more efficient preparation and distribution of its salary checks, but also collects and records the necessary tax figures.

Another great concern, which started using Nationals for posting customers' accounts in one of its divisions, found the system so satisfactory that it has now extended its use to all its divisions.

Such experiences are typical. An experienced National representative will be glad to show you how your business can profit by the right National system. Let your own bookkeeping department check his recommendations. Then base your decision on their advice. There is no obligation, of course. The National Cash Register Company, Dayton 9, Ohio. Offices in principal cities.

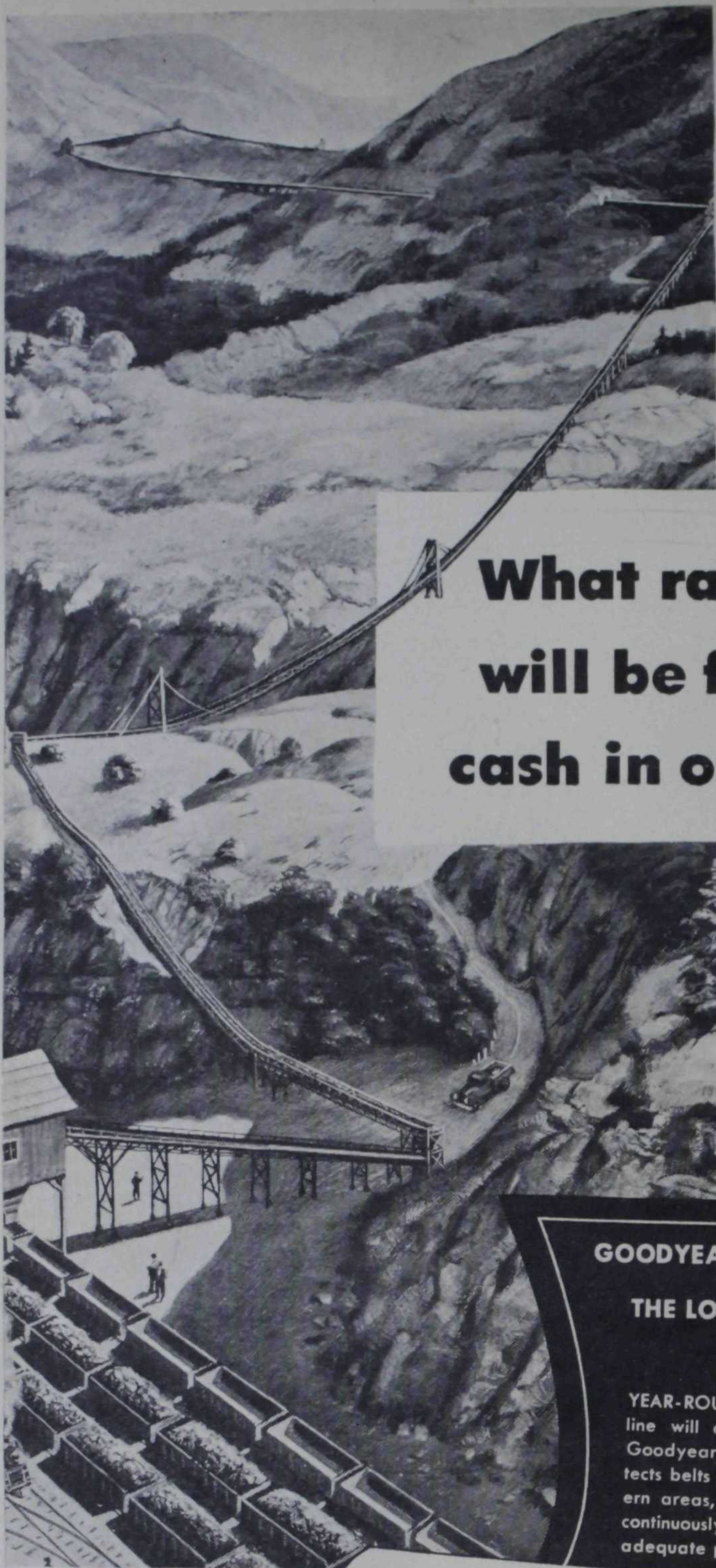


The National 2000 Payroll Machine

Making business easier for the American businessman

National

CASH REGISTERS • ADDING MACHINES
ACCOUNTING-BOOKKEEPING MACHINES



What railroad will be first to cash in on this?

MANY a rail executive, interested in maintaining a high average of car loadings the year round, may find the answer along his own right-of-way. It lies buried in those numerous mineral deposits that have never been worked because rough terrain has made them economically inaccessible up to now.

Today rail lines and private owners can tap these volume-tonnage sources quickly, and at low ton-mile cost. How? Through the use of the Goodyear overland belt conveyor system on back-country hauls up to 30, 40 miles or more.

As a feeder line for two or more mines, a Goodyear belt only 36 inches wide will deliver 650 tons (approximately 11 carloads) of coal per hour, every hour, in a continuous river-flow direct from mine or tippie to cars—at far lower operating and maintenance cost than any other form of transport! And with less grading and tunneling, too!

The tonnage life of Goodyear conveyor belts is so long they can be amortized against several one- two- or three-million-ton operations, by reinstallation at new projects of similar size. Or they will pay out against one large working of five million or more tons.

If a survey indicates either of these possibilities along your line, or if you are an owner of such property, why not get complete, factual engineering data from the G.T.M.—Goodyear Technical Man. Remember, Goodyear alone has built these long-distance conveyor belts. To consult the G.T.M., write: Goodyear, Akron 16, Ohio or Los Angeles 54, California.

GOODYEAR INDUSTRIAL RUBBER PRODUCTS

THE LOGISTICS OF BELT TRANSPORTATION

—AS SPECIFIED BY THE 

YEAR-ROUND OPERATION: A Goodyear conveyor belt feeder line will operate 12 months in every year. In wet climates Goodyear's exclusive mildew-inhibited carcass construction protects belts from mildew and damp rot in rainy weather. In northern areas, heavy snow will not overload a belt that operates continuously; otherwise a light, inexpensive gallery will provide adequate protection against the heaviest snowfall.

FOR HOSE, BELTING, MOLDED GOODS, PACKING AND TANK LINING built to the world's highest standard of quality, phone your local Goodyear Industrial Rubber Products Distributor.

GOODYEAR

THE GREATEST NAME IN RUBBER

MANAGEMENT'S

Washington LETTER

A last minute roundup by a staff of Washington observers of government and business

► **TAXES AND BUDGET MANAGEMENT** will offer the first test of cooperation between the new Congress and the executive branch.

Republican tax study committee, at work for two years, looks to immediate reduction of personal income taxes, abandonment of all wartime emergency excises, and a budget balanced at about \$32,000,000,000 for fiscal year ending in June, 1948.

A second tax bill, to be enacted in more leisurely fashion, would simplify all administrative features of the revenue code.

Ultimate objective is to install a tax system which will encourage popular investment in government securities, to distribute more widely the 45 per cent of the national debt now carried by the banking system.

For your cue on cooperation watch Washington's progress toward a balanced budget for fiscal year 1948. The choice is between economy and jobs—between savings and pet projects—between expanding government programs and curtailment of agencies.

► **PERMANENT MILITARY POLICY** will likewise test cooperation between Congress and the executive branch.

Budget economy in army and navy runs counter to increasing congressional sentiment in favor of strong defense, with air power geared to a new policy of constant "offensive readiness."

Army's active reserves now number 1,000,000 officers and men. Supplemented by National Guard units and R.O.T.C. groups in colleges, our trained reserve forces add more than 2,000,000 men to standing army's 1,500,000.

Navy's "offensive readiness" includes a new bomber squadron which throws off 1,000 pound radar-guided missiles which find the target automatically up to ten miles away. Explosive agent is standard impact material, not an atomic load.

U.S. will not abandon its army and

navy in favor of UN's world police force until latter is more firmly established.

► **BACK PAY** suits for time spent portal-to-portal will flood into the courts in the coming year.

Few businesses, except very small enterprises, will be immune from back pay liability claims based on recent Supreme Court decisions.

Steel, lumber, chemicals, mining and manufacturing lines may be liable for millions if decisions follow pattern established by Supreme Court.

Some manufacturers have estimated liability, found that it exceeds their working capital.

One found that back pay claims could reach \$40,000,000.

Court decisions on Mt. Clemens Pottery and Jewel Ridge Coal cases set pattern.

Court found that under Wage-Hour Act workers are entitled to pay for all time they are required to be on the employer's premises, on duty or at a prescribed work place.

This would include time spent moving from entrance of employer's property to place of work, putting on work clothing, turning on lights, sharpening tools, opening windows, preparing for work.

Act under which employees may bring suit for back wages covering portal-to-portal time was passed in 1938.

Liability in many states starts from that year, in others is limited by state statute of limitations.

Labor observers see little possibility of employer relief.

Sharply reduced liability would result from bill to be introduced in new Congress limiting back pay liability to two years preceding claim.

► **CITY REAL ESTATE** prices do not yet reflect higher building costs, say land economists.

Housing shortage is measured accurately by fact that total new dwellings built in 15 years, 1930-46, (government and private) were 2,500,000 fewer than required by normal population growth. Add 15 years' fire losses, abandonments, tornadoes, floods, and you have the shortage of 3,500,000 houses which plagues the country today.

Wyatt's completions this year (under 600,000 units) will not match our 1946 population increase. The shortage is greater today than on January 1, 1946.

► **FARM PRODUCTION** goals for '47 contemplate 358,500,000 planted acres, an increase of 3 per cent over this year's harvest acreage.

Department of Agriculture's outlook

report anticipates food exports about equal to '46, despite expiration of UNRRA December 31.

Non-government food authorities doubt exports will come anywhere near current year's volume. Europe's 1946 harvest this side of the Iron Curtain is calculated at 75 per cent of prewar.

But most of Europe's food deficit can be met from colonial areas as Canada, Australia, India, Africa; plus normal exports from Argentina and Scandinavia.

► EASIER FARM PRICES are the dominant note in current business forecasts.

Cotton's recent shakedown signalizes a basic development in the war-peace cycle.

A pronounced settling tendency is noted also in the world tobacco markets.

The Argentine Government has fixed the new-crop wheat price at \$1.38 a bushel f.o.b. cars at Buenos Aires, down 24 cents from the last official price on the 1945 harvest.

With July wheat futures now selling 45 cents a bushel below current spot markets, the U.S. cereal industry flashes an insistent warning signal.

If May should bring \$1.50 wheat, activation of Government's dormant price-support program after March could hold the decline within orderly range.

► AUTO INDUSTRY says big buyer rush will ease when 3,000,000th postwar car is delivered—about February 1.

From that point, buyers will be under less pressing need—in a position to wait, be more selective in regard to make, model, color; decidedly more price conscious.

There still will be a demand for 7,000,000 cars. But these represent replacements of vehicles now functioning.

The first 3,000,000 represented an absolute vacuum—situations where folks were walking instead of riding.

The difference between these two categories of demand will influence prices and trade-ins sharply.

► LABOR LEGISLATION veers strongly toward four amendments in new Congress.

1. Pickets would be limited to actual employees of plant when strike began.
2. Sympathetic strikes to be outlawed.
3. No legal compulsion to join unions.
4. Would give employers right to cite labor unions before NLRB for breach of contract.

Abuse of picket rights by flying-squadron extremists has been an outstanding flaw in Wagner Act during the past decade.

Inability of employers to cite

unions for violation of contract has weakened hand of labor leaders seeking to enforce discipline in their ranks.

► AFL BLASTS at Stalin's Utopia:

"The American worker's real wage is at least 65 per cent higher today than it was at the time of the Russian revolution (1917), while the Russian worker's real wage is lower."

In Russia, real wages declined 40 per cent from 1927 to 1938.

"We should remember these facts when Communists and their fellow travelers claim that the Soviet Government brings a better life for the workers," AFL admonishes.

► ANTI-THIRD TERM amendment to Constitution will be offered early in January, so state legislatures may vote on ratification in '47 sessions.

Original resolution, offered by GOP Leader Martin, but pigeonholed last session, puts iron-clad limit on presidential tenure at two terms.

This will bring out another old timer—the single six-year term.

► RADIO BROADCASTING regulation faces a critical look-see by Senate Commerce Committee.

Charges that federal supervision gradually has merged into a system of "Thought Police" will be aired.

FCC intimidation of broadcasters, which sometimes reached to the selection of personnel for program sponsors, has sparked a campaign to throw off attempted political manipulation of both entertainment and news programs.

► U.S. INTERCOASTAL SHIPPING is throttled by rising wage costs decreed by government strike-settlement decisions without compensating rate adjustments.

Wartime orders took both intercoastal and coastwise fleets for overseas duty. Rails took the tonnage at special emergency rates.

Vessels now in coastwise and intercoastal service number less than one-third the prewar total, although Government has more than 2,000 surplus ships.

► GERMAN REHABILITATION is retarded by Russia's policy of "urging" non-Communists into British and American zones, uprooting all industry and commerce which does not fall into Soviet pattern.

U.S. Army says it has 550,000 more displaced persons in U.S. zone than a year ago; asks for an extra \$100,000,000 to supplement like amount already available for such relief through next June.

Thus far, U.S. is the only occupying

power seeking to restore German economy to self-sustaining basis, as agreed at Potsdam.

RFC will finance German exports through U.S. Commercial Company, applying profits to relief costs until final German peace treaty.

► BRITISH COCOA CARTEL controls more than half the world's chocolate supply.

London fixes price for Africa, South America, Ceylon and Samoa. Tonnage allocations decreed by International Food Council keep every consuming area under-supplied, thus bidding up London price.

World supply-demand picture discloses abundant cocoa, but continuation of war-time system of international allocations maintains chronic shortage everywhere.

► CONSOLIDATING PURCHASING AGENCY for the military services, created in the revived Army and Navy Munitions Board by Presidential executive order, centralizes procurement of all common items, such as food, clothing, ordnance metals, equipment and stores.

Not all items are used in common in two services, but about 75 per cent of total purchases fall within joint procurement program.

Purpose is to build up a military procurement agency capable of quick emergency expansion.

► ALUMINUM SHORTAGE is feared by industry's advisory committee in CPA.

Prefab houses will require 400,000,000 pounds in '47, according to government housing officials, about one-third of estimated total supply.

Committee urges immediate purchase agreement to obtain supplemental aluminum pig from Canada via Britain.

World-wide soda ash shortage (estimated at 500,000 tons for '46) also limits U.S. aluminum fabrication.

► NEW ZINC DEPOSITS have been spotted in western New York (Orleans County) by geo-chemical exploration method perfected by Geological Survey.

Old peat bogs, when drained, developed lethal toxicity for plants. Soil analysis disclosed high zinc content in an area wholly without metal outcroppings.

Complete analysis of soil and water will enable field party to draw a detailed geo-chemical map of the area.

Similar explorations are under way in other states.

► WAR ASSETS has launched a vigorous clean-up campaign against fraudulent use of veteran's certificates in surplus property sales.

A Montana contractor recently drew two years in the federal clink for using vets as "front" in the purchase of three old army trucks.

► NEW FARM CREDIT agency, the Farmers Home Administration, consolidates former operations of Farm Security Administration and Emergency Crop Loans Division, to provide direct federal loans for both purchase and operation of farms.

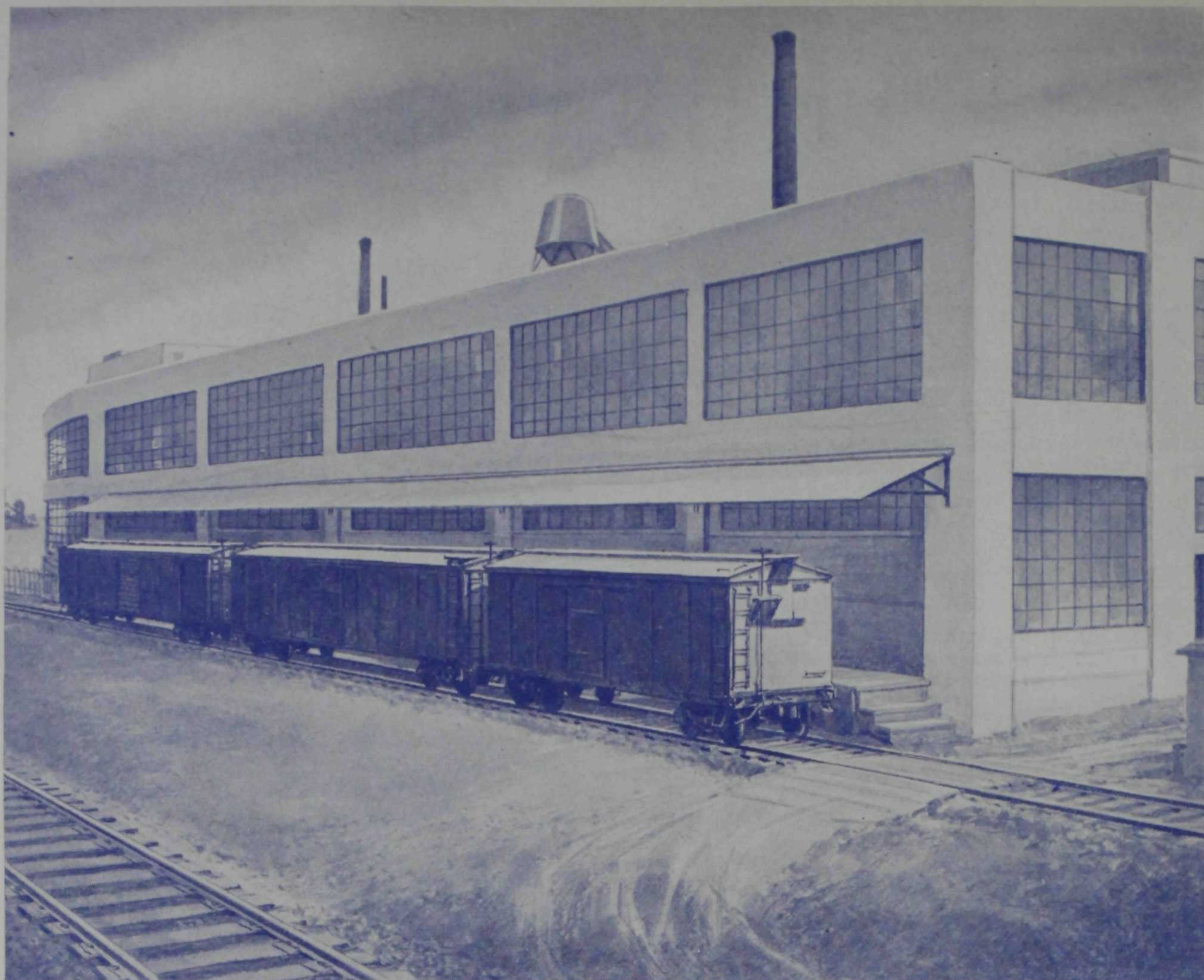
For first time, the consolidation statute gives Agriculture Department authority to provide on-the-farm supervision of borrower's operations.

Government will make loans only on showing that farmer can't get funds at 5 per cent from established loan institutions.

► ABANDONMENT of wartime wage controls permits revision of year-end bonus payments in line with current earnings.

So long as controls prevailed, bonus payments were frozen at a predetermined base level, which forbade downward adjustments as earnings declined.

► WASHINGTON BUSINESS BRIEFS: Congress soon will publish an official list of communist fellow-travelers on U.S. payroll....American Chemical Society reports experimental production of a synthetic benzene derivative 4,000 times sweeter than sugar, suitable for preserving and food processing....U.S. Steel is in production at its reconstructed Geneva, Utah, plant, the largest west of Chicago....U.S. now has almost 10,000 more retail outlets for radio and electrical appliances than in 1943....Army reports 80 per cent of men who cracked up emotionally in military service never saw combat areas....Labor Department finds 68,200 industrial establishments now maintain apprentice-training programs, an increase of 164 per cent since V-J Day....Congress will ask government sugar monopoly managers why total U.S. supplies this year were 500,000 tons less than war year '45....Women workers in U.S. factories comprise 25 per cent of our production force—back to the prewar norm; war peak was 33 per cent....Daily reports from 4,500 ships at sea now help Weather Bureau chart round-the-world meteorological map....Interior Secretary Krug finds 31 different federal bureaus supervising or administering our oil and gas industries; orders unification and simplification of Government's industry contacts....Commerce reports average civilian consumes 104 sticks of chewing gum a year, but military personnel used 630 sticks annually during the war.



Costly Weekend

THOUSANDS OF FREIGHT CARS are lying idle two days every weekend—at a time when the country is in urgent need of cars.

These lost car days are costly to American industry, for they delay production and distribution when one of industry's current needs is more car days than are now available.

But this business loss *can* be curtailed. Shippers and receivers can help them-

selves, as well as others, by loading and unloading freight cars at least six full days a week.

The delivery of *new* freight cars has been slowed down by material shortages and other disturbances in production. So, with the present car supply already depleted by wartime service, we must handle today's traffic with an absolute minimum of wasted space or time.

If the average time it takes each car

to handle a load can be reduced by just *one* day, it will make available to industry the equivalent of 100,000 additional cars! The railroads are reducing this "turn-around" time by speeding up the handling and repair of cars in every practicable way.

American industry and American railroads are business partners. Working as a team they can lick this transportation problem.

ASSOCIATION OF **AMERICAN RAILROADS** WASHINGTON 6, D. C.



IN PARTNERSHIP WITH ALL AMERICA

TRENDS



OF NATION'S BUSINESS

The State of the Nation

WHETHER the results of the November election were pleasing or displeasing to individual citizens there can be no doubt of their effectiveness in one important respect. The voting has done much to re-establish and reanimate the two-party system.

The workmanlike simplicity of this political device is obvious. There are, at all times, two—but only two—well organized and powerful political parties. One of these is the governmental party, with responsibility for national policy, both foreign and domestic. The second party is that of the Opposition, cast in the role of critic of the Administration but not less constructive and patriotic for that reason.

Loyal Opposition

In Great Britain, where the King—unlike our President—has come to stand above politics, the second party is known as “His Majesty’s Loyal Opposition.” Instead of an individual, our Republic has a written organic law as its embodiment of sovereignty. And it would have assisted political understanding in the United States if we had developed, as a parallel to the English definition, some phrase emphasizing the importance to good government of honest and continuous opposition.

Although we adopted the two-party system from the British, its development in our huge federal union has followed original lines. In England, general elections are not held periodically, as here. Up to a maximum of five years, after which period an election is called by unwritten law, the party in power runs the Government as

long as it can command a majority in the House of Commons. But, if the Prime Minister loses a vote of confidence on any important issue before Parliament, he must place his resignation in the hands of the King. A general election is then called and, if the Opposition triumphs, the King requests its leader to “form the government.”

This system has obvious advantages, as contrasted with our own. It is more responsive to popular will and, therefore, in one sense of the word at least, more democratic. If the Prime Minister cannot continuously command support of a majority in the representative House he must resign.

The operation of party government in the United States is more cumbersome. Under fixed elections the President, as party leader, may lose the confidence of the electorate and still continue in office. The two-year term of a representative, as against the four-year Presidential term, means additionally that one party may continue to control the executive after it has lost legislative power. In such cases, of which the present situation is a striking example, governmental authority is divided between the two parties. For that reason, and also because our Supreme Court has governmental power, we cannot properly speak of the Government in office, as the English do, but use the word Administration instead.

But the American system has advantages which the English, for all its flexibility, lacks. There is less possibility of an abrupt turn in national policy and therefore it is easier for private enterprise—industrial, commercial or agricultural—to plan its operations. If the Administra-



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well . . . consuming a million pounds a month in the building of power shovels, road equipment, and overhead cranes.

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tion has lost congressional control in an off-year it must back up on policies which have proved unpopular. This is by no means an unmixed evil. When a President of one party must work with a Congress dominated by another party it undoubtedly means fewer laws. But fewer laws may easily mean better government and less, rather than more, internal dislocation.

Furthermore, the English practice of overthrowing a government on a single issue is arbitrary, and tends to force a degree of party unanimity which minimizes the potential accomplishment of the individual legislator. There is also a good deal to be said for the American way of giving a serious warning, as on November 5, to the party in office, which still has theoretical opportunity to win back public favor in two years time.

Many Parties Lack Strength

The differences between party government in Britain and the United States, however, are secondary to the fact that only in the English-speaking countries is the two-party system really established. On the continent of Europe a multiplicity of parties has always been the rule, with the result of unstable coalition governments unable to pursue a firm policy for fear some group would detach itself to join the Opposition and thereby overthrow the ministry in power. The frequency of war in Europe is not unconnected with the multiplicity of parties there. International crisis always strengthens the government in power, and for that reason has more than once been encouraged primarily to solidify a shaky coalition. The existence of more than 20 separate parties in the German Reichstag, just before the Nazis took over, made Hitler's seizure of power easy.

It was the Civil War in England, just three centuries ago, which led to the establishment of the two-party system there and its subsequent adoption over here. The Tory and Whig parties were at the outset composed respectively of those who favored the authority of the Crown and those who supported the supremacy of Parliament. With us the basic line of cleavage was between those who favored centralized and decentralized government—at first the Federalists and Anti-Federalists. In both cases, however, the party division corresponded to differences in thinking on fundamental issues and this tendency is one of the great merits of the two-party system.

While English and American political parties have continued to reflect fundamental psychological divisions, both their names and alignments have frequently shifted. Always, however, one party has tended to favor the authority of the State over the individual, and the other the rights of the individual against the State. Unquestionably this was the dominant line of division in the congressional election of November 5.

With the growth of Socialism, and the new conception of what is called the Welfare State, the desirability of the two-party system is for the first time seriously challenged. That is because the Welfare State requires centralized and continuous planning. If a national government is devoting itself to numerous long-range social projects, ranging from slum clearance to rural electrification, it naturally views with alarm the prospect that it may be turned out of office with its complicated program incomplete. From this feeling it is only a short step to official denunciation of the Opposition Party as "antisocial" or "reactionary." Because they believe in continuous state planning, the Communists, like the Fascists and Nazis before them, argue with complete sincerity that no opposition party should be permitted to exist.

As our society becomes even more interdependent, and as the state in consequence tends to expand its regulatory functions, the problem of maintaining the two-party system will be increasingly affected by this argument of continuity. There are, of course, several possible solutions.

One is that both of the major parties should become socialistic, differing in detail rather than in principle on the extension of state functions. At the moment, this outcome seems remote. As the last election indicated, the extension of socialistic practice is likely to sharpen political issues.

A second possibility, urged by the Communists, is that both of the old parties be scrapped in favor of a single totalitarian party, as in Russia.

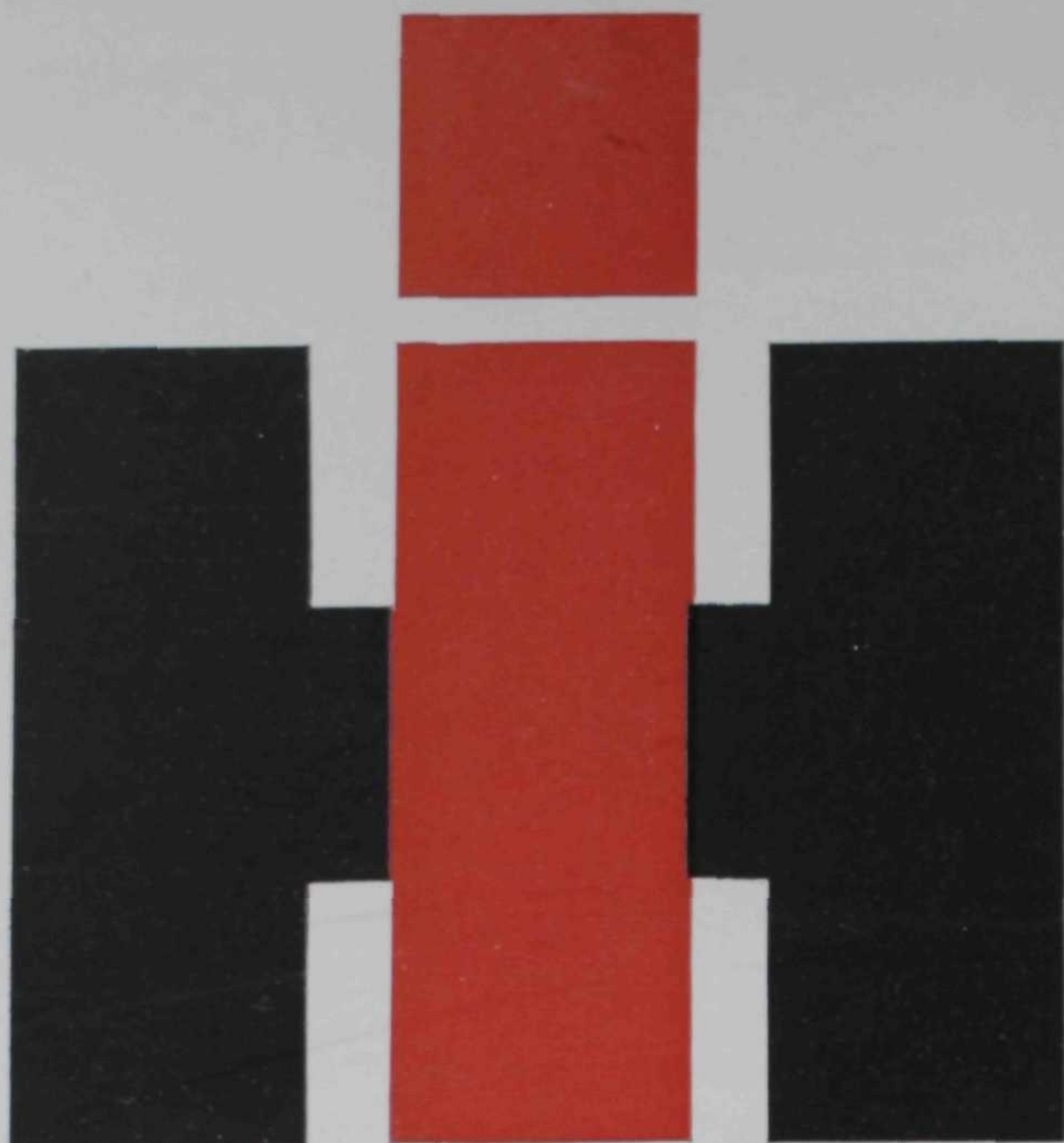
States May Be More Active

More probable, because it is so clearly the majority will, is that the federal Government will now be forced to curtail many of the innumerable social activities which it undertook as a part of the New Deal program, throwing the decision on governmental welfare programs, and the taxation to support them, back on the states and municipalities. If we really believe in our federal system, and in the local self-government on which it is based, that is the solution which will be found.

Certainly, for the preservation of our form of government, it is important that the two-party system should endure, with an active, critical yet loyal opposition always ready to assume the responsibility of all or a part of government when those in power lose the confidence of the electorate. The outcome of November 5 is not so much a Republican triumph as a national indorsement of the two-party system. It is now up to the Democratic minority to demonstrate that it has not forgotten the value of intelligent opposition.

FELIX MORLEY





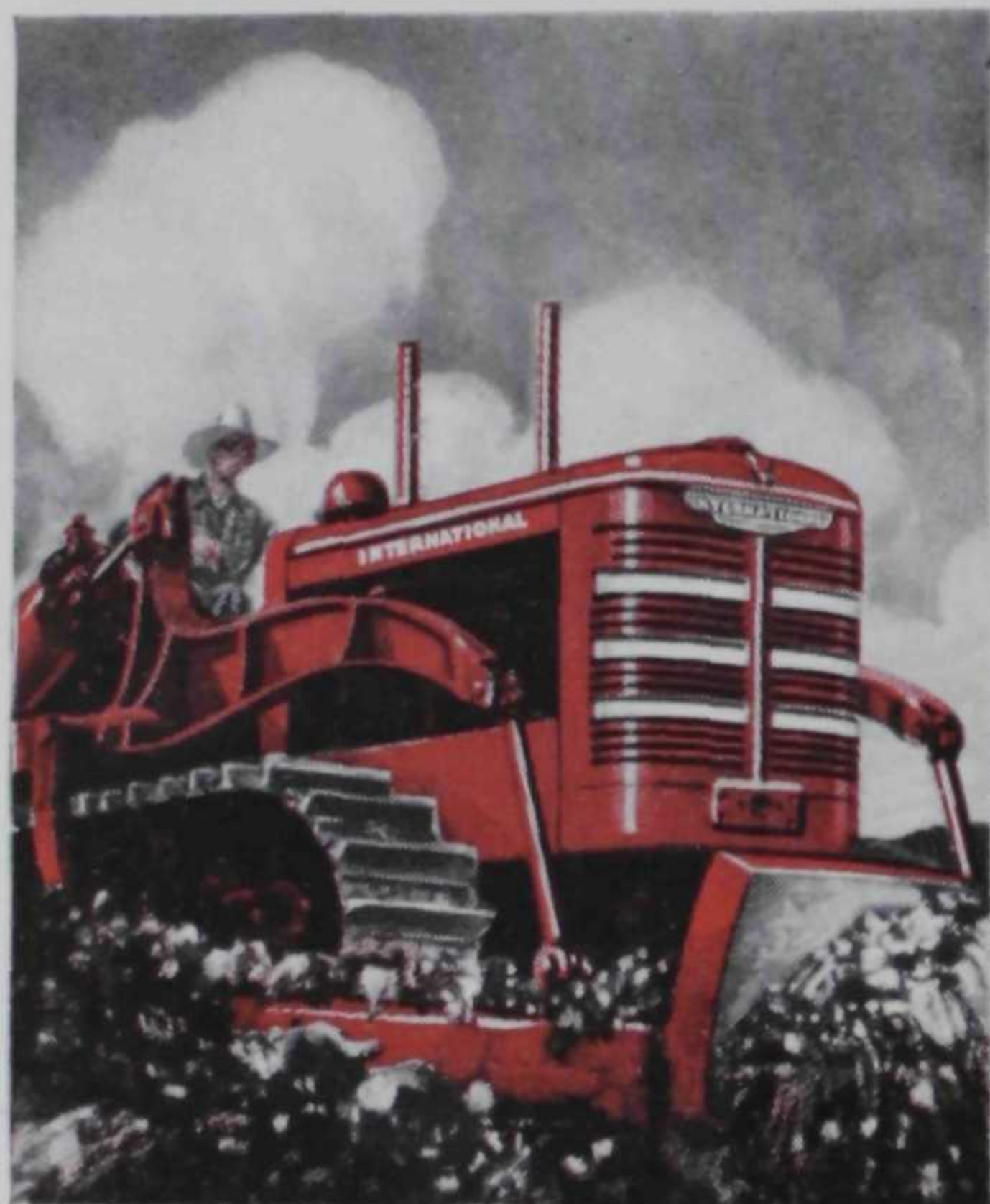
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The Month's Business Highlights

PUBLIC reaction against the exercise of government power has been registered. No longer can the way a majority of the voters feel toward controls, interference and planning be doubted. It was that sentiment which was responsible for Republican victories. It remains to be seen, however, if the newly elected legislators will have the courage to withstand the pressures for federal action when powerful groups begin to demand it. Experienced observers will be surprised if the new Congress does not put into effect some interferences of its own and it probably will be circumspect when it comes to altering New Deal laws. The chances also are that Mr. Truman has hit his low.

With the right strategy, he could use Congress as a foil to improve his political position. Business, however, is not so certain to benefit by the type of political maneuvering likely to take place during the next two years.

President Truman's statement of policy indicates that he went to Sunday School, but it gives no clue as to his future intentions. It dealt only with generalities that leave the course of action to future developments.

The Fiscal Problem

Questions that the Republican leaders will face under their new mandate include reduction in taxes and reduction in expenditures while keeping the budget in balance. A query continually hurled at Republican candidates during the campaign was "What is your program?" It now will come in louder tones from the White House and from the Democratic leaders. Business has a stake in these policies as never before. Not the least concern of business is whether the foreign policies of Senator Taft and Senator Brewster are to be followed or whether there will be continued adherence to the policies of the Administration looking to freer trade.

It will take magic tailoring to cut the next budget to \$25,000,000,000 or \$30,000,000,000. Those amounts barely cover essential defense, veterans' and interest payments. Little would be left for other expenditures.

Some loss of revenue will result from removal of excise taxes. A portion of other proposed reductions probably will be approved. The only answer is to cut federal expenditures drastically and to speed up the economic machine so as to produce a greater total of tax payments.



An inevitable aftermath of the election will be congressional investigations of the war program. For the most part, these will deal with water over the dam. Their effect will be destructive rather than constructive.

The split between the executive and the legislative branches is not as serious as some try to represent, but it creates the impression abroad that there may not be united support behind American foreign policy.

Since runaway inflation no longer looms as a major danger, the new Congress will be spared the all-out action that would have been necessary had American industry not distinguished itself again by coming through with enormous production in spite of the loss of man-hours because of strikes.

Temporarily the situation will be helped by exports but Congress will lay up trouble for the future if it fails to do all it can to make it possible for foreign countries to pay for their purchases.

The strike, with its picketing, its violence, and its devastating effects on third persons not concerned, impresses the public as a primitive method of settling a dispute. There are enough brains and enough ingenuity in Congress to devise machinery that would provide a modern, fair and orderly means of settling disputes, but dodging of this issue in the campaign hints that Congress may still lack sufficient courage to take strong action. This applies to strikes in public utilities as well as in activities that affect the public welfare less immediately. The new Congress probably will make some changes in the Wagner Act.

Inflation vs. Deflation

The country now is bringing into operation the most effective of the deflationary forces, which is inflation itself. Fluctuations in the price of cotton and of other commodities have demonstrated that prices can go too high. Speculation is blamed, not only for some of the crazy peaks that were established, but for the sharp variations that followed. Prices did not slide down to a plateau. They are in an area filled with hills and gullies.

Legislators must share with speculators the blame for the instability in the cotton price. In the speculative phase of the present situation no other commodity could have provided a better test than cotton, as it is a factor in so many activities.

At some stage in the rise of prices, buyer re-



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coming in at
two"*

BOATLOADS of troops—thousands of tons of supplies—poured ashore on Pacific beaches in crafts powered by General Motors Diesel engines.

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sistance asserts itself as the controlling factor. While lawmakers from the South are highly vocal, their section of the country was less wrought up over the breaks in cotton prices than any other region. Waves of cotton speculation constitute an old story in the South.

Removal of most price controls has made the position of labor leaders more difficult. As long as demand is greater than supply, wage increases will not come out of profits. Employers in some instances are being charged with making only token resistance to demands for wage increases. They know they can add the wage increase to the price and get it. That attitude is more frequently confined to the smaller industries. When demand diminishes, the smaller employer expects to be able to make adjustments. Large units in business are eager to avoid a cost structure which probably could not be maintained.

Labor Blamed for Prices

Labor leaders, realizing that management does not yet have to worry about profits, recognize that any wage increase will be added immediately to price. Labor will have to bear the brunt of the blame. To avoid that, some labor leaders are demanding the return of the tax on excess profits.

The great increase in time lost because of strikes has slowed down production, and has prolonged the period in which demand exceeds supply, during which competitive forces do not operate to reduce prices.

Labor leaders understand that situation. Some of them are more than willing to forego demands for increased wages and concentrate on obtaining lower living costs that would be made possible by increased production. The possibility that recession may be nearer than had been supposed is also a restraining factor.

The big jump in the cost of living in the last quarter of the year provides a ready excuse for wage increase demands. As employer resistance now is certain to be less, it will be difficult for most labor leaders to resist the temptation to demand more pay when the chances favor success in getting it. Those who look ahead, however, will be cautious before arousing additional sentiment in Congress for labor union regulation.

John L. Lewis is in a class by himself. He does not hesitate to threaten the Government or to strike against the Government. His attitude of self-assurance is, in part, window dressing, but it is based on the knowledge that the Administration has little backbone when it comes to a showdown with labor. The Administration is very vulnerable to the type of attack which Mr. Lewis uses.

The year 1946 has been a remarkable one. In spite of all the unrest and dissatisfaction that go with the war period and the adjustments that have to be made in reconversion, it has been possi-

ble to provide employment for the large numbers engaged in war work and to absorb the returning soldiers.

Production of construction materials has been a life saver. There naturally has been increased employment in automobile manufacture. Lumber production did better than anyone expected and absorbed large numbers of workers. Iron and steel and machinery manufacture are down some from last year but the decline has been small.

Some of the other lines of durable goods manufacture have shown slight declines but these have been more than made up by increased employment in plants making non-durable goods. Cotton goods, rayon, woolens, hosiery, all are providing additional employment. Food industries are in high gear. Although great difficulty has been experienced in obtaining raw materials, paper, printing and publishing all are able to maintain high levels of employment.

Department store statistics are valuable because they are accurately kept and are quickly available. They represent a long list of consumer goods and give an indication of what is happening in retail stores generally.

Retail sales may drop

While Christmas buying will climax a remarkable year in the history of retail trade, a more than seasonal decrease in sales is expected in the first quarter of the new year. The rate of decline in consumer buying, however, will depend upon price. While there have been enormous percentage increases in inventories of certain items, this is due largely to the fact that stocks of those items were very small a year ago. A different picture is obtained when the number of months' supply is considered.

Stocks of refrigerators, washing machines, stoves and similar articles still are being bought as fast as dealers can get delivery. In radios a backlog is accumulating but the stocks would not last long were shipments to stop. The same is true of such items as pots, pans, cutlery and luggage. Luxury articles are beginning to pile up.

Current supplies of women's apparel and accessories are such that day-to-day demand can be met and some stocks accumulated. Shoes and blouses are exceptions.

Although sales of men's and boys' wear have declined, it has not been possible to accumulate much in the way of inventory. The immediate situation is worse than 12 months ago but production promises to come more nearly into balance early in the new year.



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3

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Washington Scenes

THE political weather vane points to the right and, barring a depression, it promises to stay that way through 1948.

With the Republican reinforcements that are coming in on January 3, Capitol Hill will be a fortress of conservatism. Insofar as it is able, the GOP majority in Congress will "take the Government out of the people's hair and put it back into their hands." According to Representative Joseph W. Martin of Massachusetts, that is what the mandate of November 5 called for. The prospective new Speaker of the House also promises that his party will work for tax reduction; that it will look into Democratic "waste and graft," and that it will "study the most effective means by which to restore, under absolute fairness, harmony between labor and management."

The pledges of cooperation made by President Truman and GOP leaders on Armistice Day did much to clear the air of postelection anxiety and the talk of stalemate and chaos.

Still the question remains: Will the man in the White House lean with that conservative wind that blew in from the States? Or will he continue fighting for the so-called "Roosevelt principles and ideals?"

In view of the President's veto power, that question is important. The answer to it will determine in large part whether Washington, in the two years ahead, is to be primarily a government workshop or a political cockpit dominated by thoughts of '48.

President May Favor Some Reforms

Mr. Truman's intimate friends say his attitude might be summed up as follows: He thinks that the government is bigger than any political party. He favors amendment of the Wagner Act so as to remove inequities that are palpably unfair to management. He may recommend certain reforms to the Eightieth Congress but they will be "reasonable" reforms. He will certainly veto any cut in taxes that means a drastic reduction in the size of the Army and the Navy. He will also exercise his veto if any attempt is made to ditch the reciprocal trade treaties.

Mr. Truman's chief ambition now is to leave the White House with the respect of his countrymen.

The aftermath of the election has brought some pretty honest talk from Administration officials. One of them, in listing Mr. Truman's mistakes, said that he made his biggest one in his first month in the White House.

TRENDS



OF NATION'S BUSINESS

"The President was warned that there were three men he ought to get rid of promptly," this official said. "You probably can guess who they were—Wallace, Ickes, and Chester Bowles. The President was told that these men would get him into trouble, but he didn't want to believe it."

This same Administration insider said that he had noticed that Mr. Truman's own judgment, his first impulse, was correct in the handling of many important issues. Trouble developed, he said, when the President rejected his own judgment and substituted somebody else's, often as a result of being told that it was his duty to stand by "Roosevelt's principles."

The narrator, an old hand around Washington, indulged in a cynical laugh.

"Roosevelt's principles!" he snorted. "Why, if he had lived, Roosevelt would have changed course 15 times in the past year and a half."

Misjudging the Electorate

In retrospect, political analysts still marvel at how badly the Democratic high command misjudged the temper of the country. Their whole plan of battle was drawn up with an eye on the "liberal" or left-wing elements. Hence the emphasis on the departed Roosevelt, the choice of Henry Wallace as the party's No. 1 orator, and the ex-coriolation of the Republicans for ditching men like La Follette. They warned the voters that the GOP was the party of "old-fashioned conservatism," never dreaming, apparently, that this was no longer an epithet.

Aside from these tactics, the Democrats put their faith in two main issues: 1. Prosperity; 2. the Republican Party's lack of a program.

The first of these seemed to be a good one; certainly, it always had been before. Why, then, didn't the voters react favorably to it this time? For one thing, Americans now take jobs for granted; they are no longer frightened by talk about the Republican Party and hard times. In addition, millions of job-holders feel frustrated. They complain that they can't seem to make any headway, thanks to high prices and high taxes.

What about the second argument, that the Republicans had no program? The reaction to this one must have given Postmaster General Robert Hannegan his biggest shock of the entire election campaign. It developed that the voters didn't ask that the Republican Party have a program; at least, not in the sense that Hannegan meant it—



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a program of social reforms. The average American, it is now clear, has had enough of social reforms for the time being. What he wants above all at this stage is competence in government and some stability in the nation's economy. He appears to have grown weary of crusaders. If this is, as some of the heavy thinkers would say, a "reactionary attitude"—well, so be it.

A Democratic official in Pittsburgh, in the midst of the campaign, described the new mood in these words:

"Roosevelt convinced millions of people that government was good for them—that it could do things for them. It looks to me as if a lot of people don't believe that any more. Anyway, what they seem to want now is less government."

To return to Hannegan, it must be admitted that he got all the worst of the breaks. Also he was up against a large Democratic stay-away vote. Just the same there were other miscalculations in his strategy.

CIO-PAC Pulled Few Votes

One of these had to do with the CIO Political Action Committee. This organization either was grossly overrated to start with or it let the Democrats down shamefully. In any event, it didn't come through, as witness what happened to Democratic candidates in CIO strongholds.

The CIO's particular New Deal pets—Guffey in Pennsylvania and Mead in New York—were among the worst-beaten candidates in the country. Yet the voting record of each had been adjudged "perfect" by the PAC.

Many Democratic candidates tried to dodge an endorsement by the CIO-PAC, regarding it as a kiss of death. How many votes this and similar organizations cost the Democratic Party, because of a suspicion that they were Communist-dominated, never will be known. The number, however, must have been enormous.

The election was thus a clear-cut vote of "no confidence" in President Truman and his party, after 14 years of Democratic rule. It was also a directive to the Republican party to start making good on its pledge to "clean up the mess," meaning, among other things, strikes and left-wing influence in government.

With this directive, if historical precedent is to be trusted, went an implied promise that, in 1948, the country would put a Republican in the White House.

Much has been said about the great "protest vote" on November 5. But it seemed to me in traveling about the country during the campaign, that one thing was being overlooked. The uprising wasn't caused merely by shortages of meat, sugar, and toilet paper. Neither was it brought on altogether by events in the Truman Administration. The causes were deeper—and older.

The Republican "trend" really began a long

time ago, after the New Deal reached high tide in 1936. Roosevelt's attempt to pump "new blood" into the Supreme Court was one cause of it; the wave of sit-down strikes was another. Evidence of the swing away from the New Deal came in the off-year election of 1938, when the Republicans picked up more than 60 House seats.

That was the last American election in which domestic issues were predominant. In 1939 Hitler marched into Poland, and the whole course of politics in this country was altered. Not until last month was there a true test of the nation's powerful desire for a change.

Votes Opposed Roosevelt Policies

Anybody who thinks that the Democrats would have won again had Mr. Roosevelt been in the White House is, of course, entitled to his opinion; but the burden of proof is on him.

As Washington awaits the return of Congress, the atmosphere in Democratic circles is not nearly as gloomy as one might expect. Politicians, as a class, are well aware of the hazardous nature of their calling, and are therefore not given to brooding. They prefer to look for a silver lining.

Some of the lawmakers from the South ("poll-tax southerners," the CIO would call them) were rather pleased that the New Deal got a bloody nose. Some of Mr. Truman's associates also professed to find balm in the situation. A Republican Congress, they suggested, will have to take responsibility on major questions. As a result the GOP can no longer put all blame on the President.

For Mr. Truman the campaign was, in many ways, a terrible humiliation. If he flinched, got rattled or lost his temper, however, there was no outward evidence of it. In the very thick of the campaign, he sent a thoughtful message to Herbert Hoover. He had just learned that Mr. Hoover was at the Waldorf-Astoria in a private suite, when he himself was there greeting delegates to the United Nations. He sent word that, if he had known this, he would have asked Mr. Hoover to take a place of honor in the UN receiving line.

These two men, the President and the only living former President, constitute between them a powerful warning about the vagaries of politics. One was repudiated in the midst of a depression; the other at a time of peak employment.

That ought to make the Presidency seem a rather dreadful prize. It remains, however, a goal of utmost fascination. The battle for the Republican nomination in '48 already is under way, with Governor Tom Dewey, as the saying goes, the man to beat.

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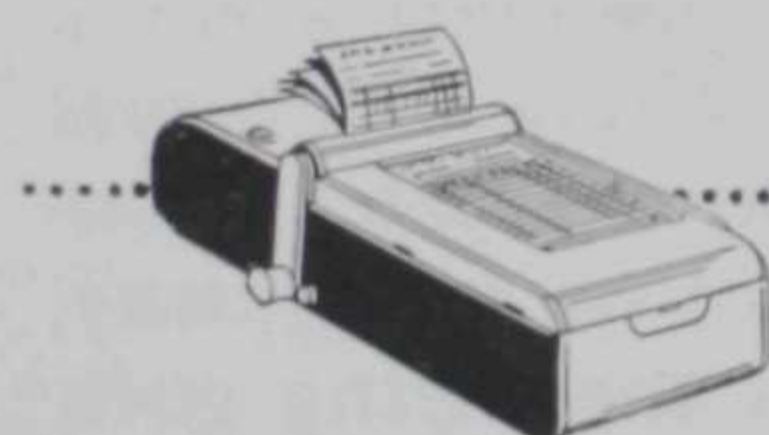
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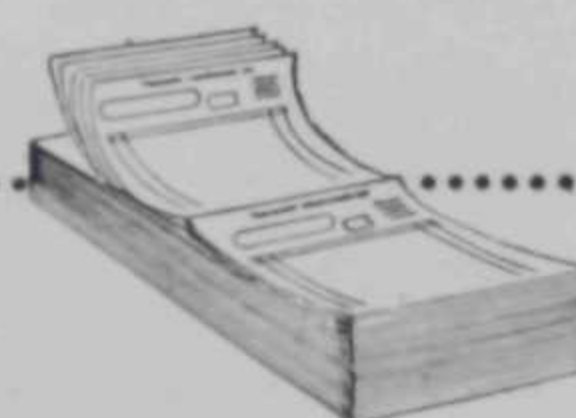
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The U. S. and World Affairs

BOTH in words and acts our Government has in recent months gone far toward clarifying and sharpening American foreign policy. There is less reason today than at any time in the past two years for the familiar reproach that Washington lacks firm, coherent and dependable objectives.

That is all to the good. Uncertainty as to America's temper and intentions has probably been the largest single ingredient in the confusion prevailing in Europe—a confusion from which only the Soviet Union derived any profit.

It is hard for Americans to realize in what agony of spirit most Europeans waited for this country to assert its leadership. With British power ebbing and Soviet dynamism in full tide, the United States offered the only hope for restoring some semblance of liberal Christian civilization in Europe after Germany's collapse. Those still loyal to that civilization—and events have proved that they are the great majority—asked anxiously whether Americans would comprehend their own crucial role.

Deserting Europe Again?

Would we once again withdraw behind our oceans to wait passively for a third instalment of global war? That was the question uppermost in the European mind.

The speed with which we dismantled our military machine, the clamor for bringing our boys back, the upsurge of strikes and political bickering here at home seemed to provide the answer. It looked as if we were again “washing our hands” of a messy world, leaving a prostrate continent to the tender mercies of the one fully armed and resolute power on the scene.

The apparent swing back to isolation, indeed, seemed a logical sequel to our strange behavior at Teheran, Yalta and Potsdam. Whatever the real American motives, the nonchalance with which we consigned vast areas and populations in eastern Europe and northern China to Soviet dominion seemed ominous. Outwardly it looked as if we had decided to concede to the Kremlin undisputed mastery over the Eurasian land mass. We could hardly have acted any differently if we *had* made such a bargain.

In time it appeared, of course, that there was more muddle than malice in the American behavior. At bottom we could be no happier about the prospect of totalitarian Soviet hegemony over the Old World than we had been about totali-

TRENDS



OF NATION'S BUSINESS

tarian Nazi hegemony. It appeared that, in yielding ground so readily and almost frivolously to the Russian steamroller, we were not expressing a policy but attesting the lack of one.

The underlying trouble was that beyond defeat of the Axis, to be confirmed by unconditional surrender, neither the American people nor their leaders had a program of action. The conflict had taken on the character of a heavyweight championship bout, so far as dominant American sentiment was concerned. The only thing that seemed to matter was a quick and clear-cut decision. As soon as the challenger had been knocked out, we would collect our bets and go home to bed.

While the war was under way it was, in fact, not quite good form to raise any “political” questions about the shape of things to come. Serious thinking in that area involved the discussion of doubts about eternal harmony among the major allies as well as the peace-loving nature of each of them separately. And that, in our championship-bout mood, seemed both unsportsmanlike and irrelevant.

If the account given recently by his too-candid son Elliott is to be credited, the late President Roosevelt himself had a vague and rather unrealistic mental picture of the world after the victory. He thought that “British imperialism” would emerge as the great menace and Soviet “democracy” as the instrument for curbing that menace. Events have made that pre-vision so grotesque that one hopes, in justice to the memory of a great President, that his son's version is mistaken and that other witnesses will show up the mistake.

In any case, we tended to rule out “political” factors in the military conduct of the war. We resented the eagerness of our British allies to estimate the political consequences of military decisions; and we closed our eyes to the fact that our Russian allies were giving those political factors first place in their over-all strategy. Where, when and how an offensive should be mounted did not seem to them, as it did to us, a pure-and-simple technical problem devoid of political implications.

Whether Churchill, Montgomery and their associates were right on any particular issue—such as their desire to attack the “soft underbelly of Europe” through the Balkans—is subject to argument. But few thoughtful Americans will, at this late date, deny that they were

The factory that looked like sad people!

by Mr. Friendly

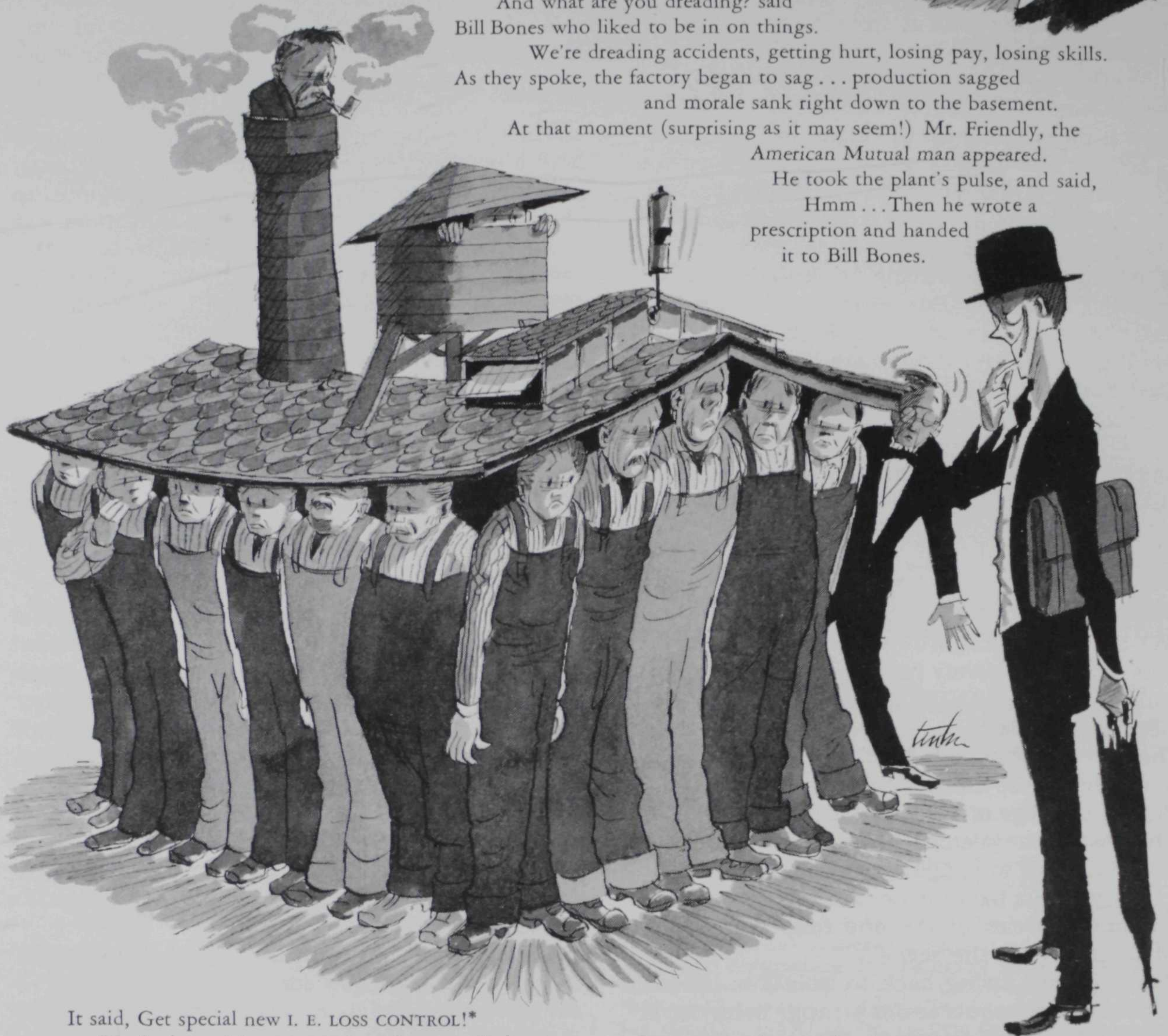
One day Bill Bones looked at his plant and suddenly noticed it was made of people.
He said, Hello plant. How are you today? And the plant said, Terrible!
We're dreading! they said, Listen to us dread . . . Dread, dread, dread.

And what are you dreading? said
Bill Bones who liked to be in on things.

We're dreading accidents, getting hurt, losing pay, losing skills.
As they spoke, the factory began to sag . . . production sagged
and morale sank right down to the basement.

At that moment (surprising as it may seem!) Mr. Friendly, the
American Mutual man appeared.

He took the plant's pulse, and said,
Hmm . . . Then he wrote a
prescription and handed
it to Bill Bones.



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Well sir, Bill Bones took out a policy then and there. And when the plant heard the news, it sat up, cheered and leaped with joy.

That's the first time, said Bill Bones happily, I've ever seen a factory start to fly!

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right in principle in giving greater weight than we did to political considerations in the war equation.

In eschewing politics on the military plane we avoided no political problems. We merely postponed them for solution under far more difficult conditions. To put the matter in simplest terms, we allowed the development of a disbalance of power in Europe which we must now labor to correct—which, in the view of some pessimists, it may not be possible to correct without resort to force.

The pessimists are probably wrong. The new assertion of American interest in the just solution of Europe's problems may redress the balance.

Orbit of American Concern

American delay in clarifying that interest seems tragic in retrospect. Consider, for example, how much easier the situation might have been today if the American pronouncement by Secretary Byrnes in Stuttgart on September 6 had been made a year earlier. Its promise of economic reconstruction comes unhappily after Germany has deteriorated into "a vast, squalid, ruined soup kitchen," as one observer described it.

Despite the tardiness, however, the statement was wholesome and helped revive some hope that the larger part of Europe may yet evade a totalitarian fate. Mr. Byrnes' recent speeches and the President's address to the United Nations Assembly have largely dispelled the pall of doubt about America's understanding of the situation. This time, they said in substance, the United States will not deliberately throw away its victory.

"We must be willing to cooperate with one another—veto or no veto—to defend, with force if necessary, the principles and purposes of the Charter of the United Nations," Mr. Byrnes declared. One need scarcely be an expert in deciphering diplomatic language to see that these words pack a warning.

President Truman at his end was explicit in confirming "the abandonment by the United States of the policy of isolation." A threat to peace "anywhere in the world," he warned, "is of direct concern to the American people." He did not exempt any country's special sphere of dominion from the orbit of American concern, as the Wallace-Pepper contingent in his own party would have wished.

That these are not pious generalizations but the formulation of a policy has been made evident in a series of large and small episodes. The deployment of American naval force in the eastern Mediterranean as the Greek and Turkish crises became more acute is a case in point. Another is the suspension of loans to Soviet satellites and indications that our economic leverage would be used to help friendly and democratically

minded nations. Certainly the vigor with which the American delegation stuck to its guns of principle in Paris was in startling contrast to the appeasement spirit at Yalta or Potsdam.

How quickly and how wisely this country will implement its policy of continuing concern in world affairs remains to be seen. But at least the peoples of the stricken continents now know that the United States will not retire into another period of passivity. The bipartisan character of this new attitude is a guarantee of this and especially significant now that Congress is in Republican hands.

Courage in Berlin

The results of the municipal elections in Berlin in October—a resounding defeat for the totalitarian party and an 80 per cent vote for democratic parties—may fairly be reckoned as a first dividend on the new American policy.

The vote was perhaps the most serious setback yet suffered by Soviet expansionism. It may well mark a turning point in Russian plans for dominating all Europe. A slow but sure softening of Soviet obstinacy in dealing with the West would not be too surprising, and surely welcome.

Conquest of Germany "from within" has obviously been the indispensable condition for Russian hegemony over the continent. The appointed instrument of that conquest was to be the SED—the Socialist Unity Party of Germany. The Soviets spared no effort or terror in their own and even in the other zones to enforce this "unity" of Socialists and Communists. The Buchenwald concentration camp of odious memory filled up with Socialists who resisted the shotgun marriage.

At the conference in April launching the new party, Wilhelm Pieck, Moscow's number one German commissar, exclaimed: "The day will come when the entire German working class will march under the flag of the SED!" No trick of propaganda and intimidation was missed to bring that day closer. The new party was built up as a symbol of salvation for Germany through friendship with Russia. The democratic opposition parties, socialist and Christian alike, were harassed at every turn, denied paper for publications and even subjected to physical risks.

But the whole prodigious effort failed. The instrument of inner conquest was repudiated in a measure surpassing the wildest hopes of any of the German democratic leaders. Unquestionably the voters drew some of their new courage from the consciousness that the United States has recognized its continuing stake in a free Europe.

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E. F. WALTON

Everyone seems to be
blaming someone else

Citizen, Heal Thyself!

By WILLIAM K. JACKSON

FEW OF US, looking back on the panorama of the first full year of peace, can pretend that it is a pleasant spectacle. Most thoughtful observers will agree that we have made a messy job of our opportunities.

I know of no one in the business community who is really satisfied with the performance of his own business, his own industry or of the country in terms of the potentialities we all saw at the beginning of 1946.

Labor leaders share that feeling of frustration. They can take no genuine pride in their many victories. The mere fact that they threaten new strikes amounts to a confession of futility. Of what value are victories that have to be fought for and won anew so soon?

As for the consumers, not even

THE PRESIDENT of the National Chamber of Commerce tells here what he believes can be done in the coming months to make our American way of life work better

during the war did they manifest the uncertainty, the irritation, the anger so evident in the past 12 months. For the most part they face the year ahead with less confidence than in the darkest days of the war.

And yet, by the measurement of economic statistics, we have been on top of the world. We provided jobs for nearly 60,000,000 persons—almost exactly the figure fixed by optimistic planners as the guar-

antee of general well-being. Income payments to individuals were close to \$175,000,000,000. Savings and liquid assets were three or four times greater than ever before. Our farmers, too, were never so prosperous.

Compared to most other parts of the world, our America was a man-made

economic heaven. Elsewhere millions faced famine while here we faced surpluses. In a world starved for every type of goods, Americans worried over the trouble potential in the 5,000,000 autos, the 80,000,000 tons of steel, the 650,000,000 tons of coal, the 1,000,000,000 bushels of wheat and 3,000,000,000 bushels of corn we can produce and, in some instances, did produce.

We entered the postwar period

with unprecedented pent-up domestic demands—and with the money to satisfy them. We possessed a highly trained productive labor force, a new industrial plant and vastly improved, war-taught skills and processes. Most important of all, we had been miraculously spared the ravages of bomb and shell.

It would seem hard to paint a more favorable picture of outlook and performance. Yet the sense of national frustration is with us. How can we explain this paradox of statistical success but of human failure?

Explain it we must if we are to throw off the widespread despondency and free ourselves psychologically for that rich, free, crea-

tive life of which America is capable. The man or woman who remains melancholy without evident cause has reason to consult a psychiatrist. A nation is in no better case.

If basic economic conditions and potentials do not provide a key to the universal American doubts and dissatisfactions, we must look for it elsewhere. The tempting and easy procedure, as I have already hinted, is to single out some group—trade unions, big business, Government, as the case may be—and load all the blame on it.

We can insist that the failure of our plans for full production and prosperity stems from the misconduct of organized labor. One hundred million man-days have

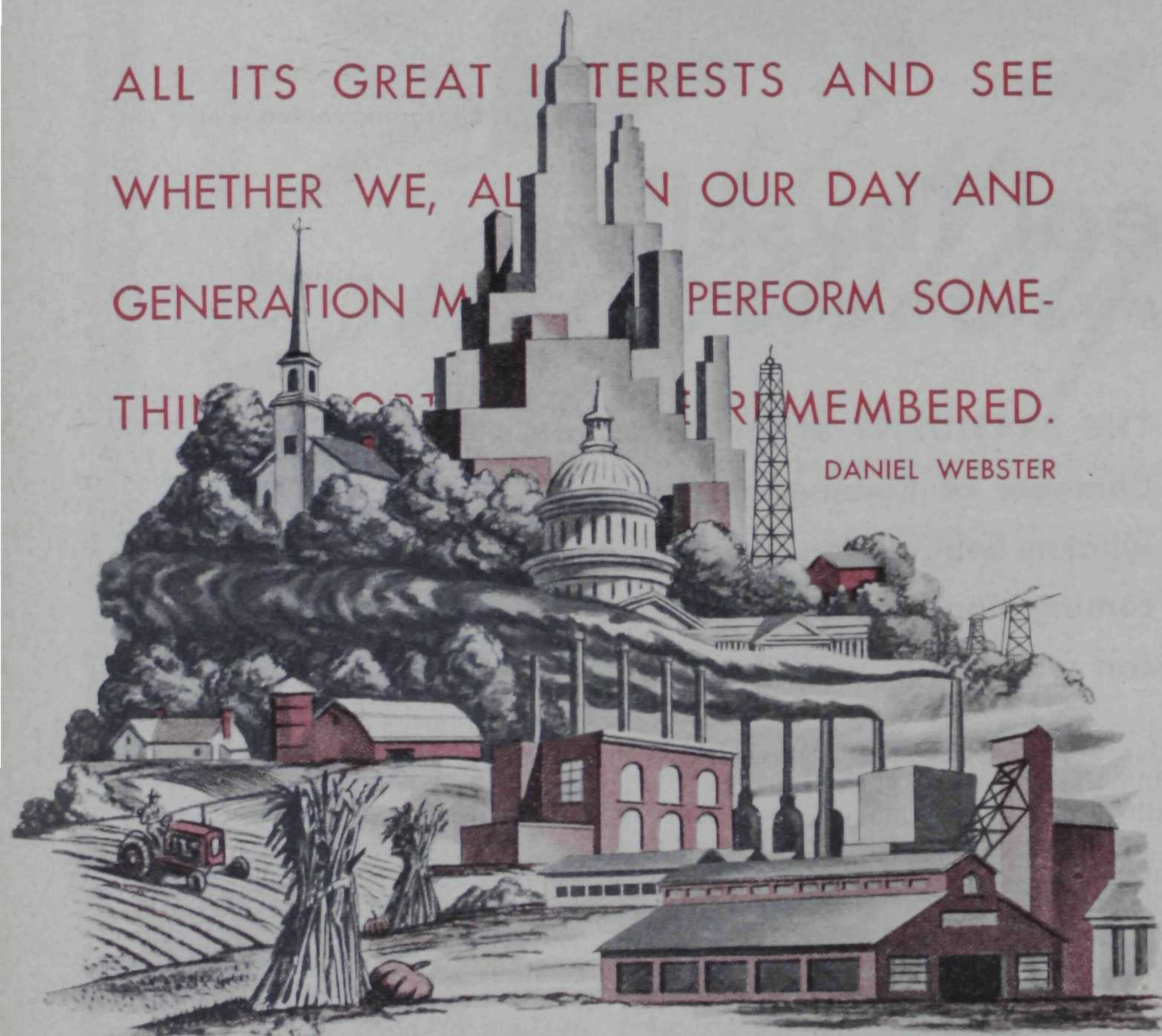
been lost through strikes. Ten or 15,000,000 tons of steel, 40 or 50 million tons of coal, 2,000,000 automobiles, thousands of housing units have been squandered in industrial warfare.

Labor and its friends, at their end, answer with charges of union-busting, of planned shortages, of goods hoarded for higher prices. Business, they claim, fought the Government and the people and now finds itself priced out of its markets.

The Government itself, of course, can be accused of economic wrecking by both labor and business. The bill of particulars is familiar enough: the tug-of-war between partisans of permanent controls and advocates of free economy; weak leadership in high places; the sacrifice of economic welfare to political expediency.

LET US DEVELOP THE RESOURCES OF
OUR LAND, CALL FORTH ITS POWERS,
BUILD UP ITS INSTITUTIONS, PROMOTE
ALL ITS GREAT INTERESTS AND SEE
WHETHER WE, ALONE IN OUR DAY AND
GENERATION MAY PERFORM SOME-
THING NOT YET REMEMBERED.

DANIEL WEBSTER



On the basis of our national experience, the American people deny that self-interest and public interest are necessarily in conflict.

Too many scapegoats

EVEN the consumer is accused of a share in the national futility race. Was it not the consumer who supported the black market? With \$225,000,000,000 of spending power, did he not disrupt the normal processes of business? Did not his complacency in the face of strikes and official blundering tend to encourage economic confusion and waste?

There is no dearth of scapegoats. Moreover, there is enough truth in all the complaints, along with the exaggeration, to make them sound convincing.

But let us be frank enough, on this frontier between two critical years, to recognize that every attempt to blame someone else is at least in part an evasion. Consciously or otherwise, it is an effort to shrug off personal responsibility.

That cannot and must not be done. In a democracy like ours, where public opinion in the long run prevails, no one group can be held responsible for the sum-total of conditions.

There are political areas in the world where institutions, parties, organizations are masters set up over the people. Here, despite occasional corruption and usurpation of power, such groups are run by the people. They are instruments of action in the hands

(Continued on page 101)

Fascism Is Not Dead . . .

By HERBERT L. MATTHEWS

YOU pay your money and you take your choice—a dictatorship of the Left or Right, Communism or Fascism. Thirty years ago we fought a war to end all wars. Then we fought another and bigger war to defeat Fascism.

Now we know that we eliminated neither war nor Fascism. Perhaps we did not quite know what we were fighting for or what we were fighting against.

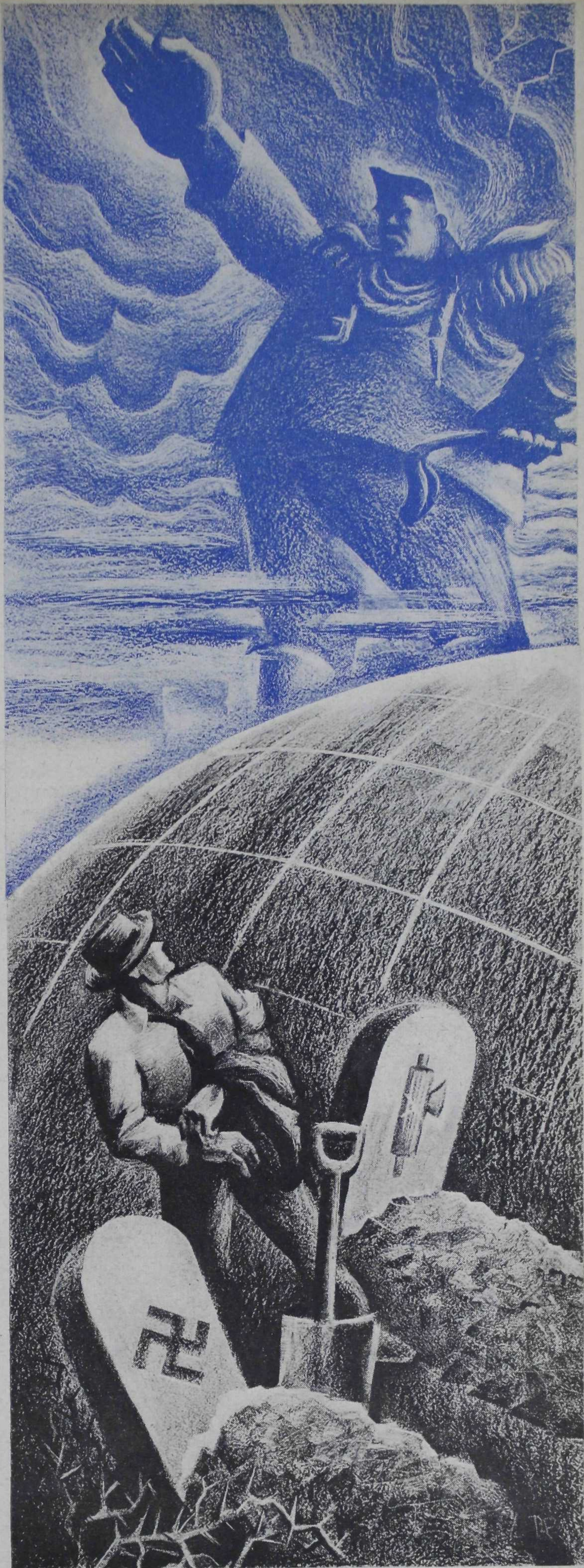
The trouble lay more than anything in treating Fascism as something peculiarly Italian or German, with a military variation in the Orient. There must have been something wicked about those foreigners, we said, or something lacking in their characters. They were weaklings or fanatics, and their history or environment led them to commit these crimes in the name of Fascism. All we had to do was to defeat them, shoot their leaders and the world would be rid of Fascism and everything for which it stood.

And now what? The answer is easy. We have only to jot down the things for which Fascism stood, add them up and see what we get:

- 1** Fascism means dictatorship under a one-party system headed by a "Leader." It suppresses free speech, free press, free worship, and public meeting
- 2** Fascism demands blind obedience to the Leader, the Party and the Party appointees, without referendum, recall or impeachment. Elections provide only the most restricted choice of Party nominees. The only method of registering opposition is the dangerous one of refusing to vote
- 3** A Fascist regime is militaristic, nationalistic. Internal order is maintained by secret police organizations. There is no such thing as uniform legal protection, the inviolability of one's home, or what we would call impartial justice

The German variation of Fascism was based on "Blood" as well as "Leadership," and resulted in anti-Semitism, anti-Slavism and the glorification of the so-called Aryan race. Its tendency was definitely antireligious, partly because it could not tolerate obedience to any laws but its own and partly because it became a form of religion, demanding what amounted to religious worship.

In the international field, Fascism was imperial-



RALPH PATTERSON

istic and based its aggression on patriotism, militarism and a form of class struggle between the "have" and "have not" nations. It indulged unceasingly in a propaganda war of nerves in which truth and facts were subordinated to political aims. Fascism ignored any possible connection between politics and morals. The end always justified the means. Fifth columns were used in every country.

These are the bare amounts and they add up to one simple and obvious sum: totalitarianism, which is to say, the eclipse of individualism, which is to say, among other things, Communism.

Take any item in this account, except racism, and it fits the picture behind the iron curtain today—dictatorship, imperialism, militarism, the *Fuehrerprinzip*, one-party system, the police state, the propaganda war, the lack of individual freedoms, controlled elections, the international class struggle which now is slightly altered to the struggle against "monopoly capitalism" and against the world bourgeoisie. Racism is only missing because it does not suit the tactics of Soviet Russia, as it did suit the tactics of Nazism.

Two factions of totalitarianism

WE HAD been trying desperately to fool ourselves into the belief that Fascism and Communism were enemies because of fundamental, systematic differences. Instead, they represented two factions within the same camp and we allied ourselves with one to defeat the other. The enemy was totalitarianism which we have not defeated at all.

An acute German thinker, Paul Drucker, writing in 1939 (F. A. Hayek, in his remarkable work, "Road to Serfdom," cites this) said: "Fascism is the stage reached after Communism has proved an illusion." He at that time placed Stalinist Russia in the category of pre-Hitlerite Germany. Should we now place Stalinist Russia in the same category as Hitlerite Germany? Should we say that she is Fascist? It is really a matter of labels.

Some time ago I wrote that the necessity to defend a rigid political system (what Mussolini called

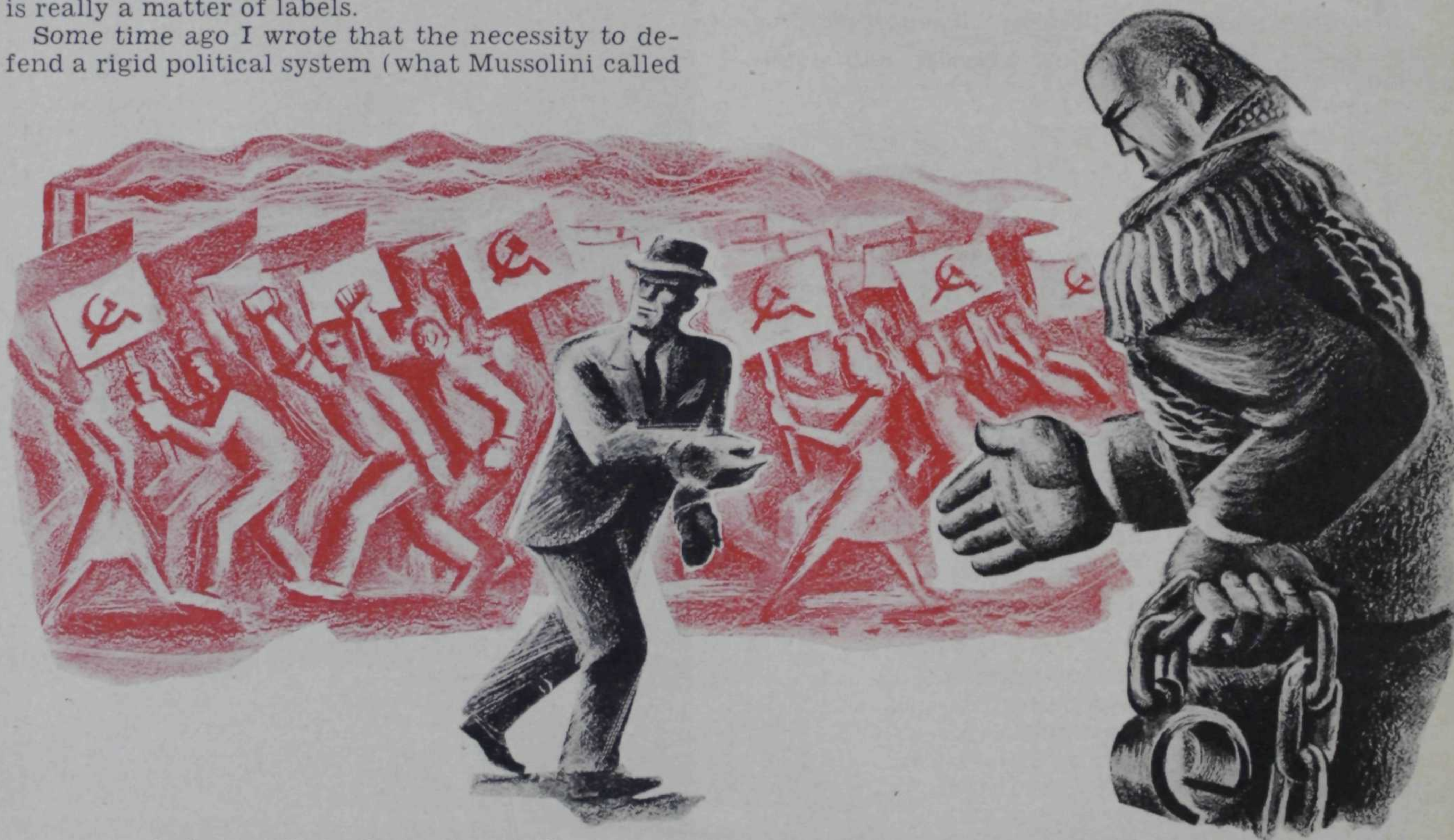
a "shirt of Nessus") is forcing the Soviet Union into a form of conservatism which, by the inevitable process of all political development, necessarily pushes it toward the Right. Politics move from Left to Right and all that is happening now is the displacement of Fascism by Communism. Both are on the other side of the iron curtain in the great struggle which embraces everything that is happening in the world today, the struggle for freedom against control.

When I first went to the Paris office of The New York Times in 1931, I was interested in the growth of Communism and one day had a long talk with the Mayor of St. Denis, one of the working-class districts of the capital. He was the top Communist of France, the idol of the rank and file. His name was Jacques Doriot. Within five or six years he had quit the Communist Party to become a part of the Fascist, Cagoulard movement. He was the No. 1 collaborator with the Germans during World War II, and now, but for the protection which Generalissimo Franco gave him, would have been hanged as a traitor.

He chose the wrong side and, being so prominent, had to stick it out. But many, many thousands in Germany, Italy and Spain were first Communists or Anarcho-Syndicalists, then Fascists, Nazis or Falangists, and now again Communists in ever-growing numbers. It is so easy to go from one movement to the other, so much easier than to go from a totalitarian party to the side of democracy.

The alternative for such men was to have stayed Communists. In that case they jumped with their Party, first anti-Fascist, then pro-Fascist when Hitler and Stalin made their pact, then anti-Fascist again when Hitler attacked Stalin. Thorez, the French Communist leader, was an example of that. It necessitated his being a traitor to his country during a certain period, but he had shown the stead-

(Continued on page 90)



In its practical effects, one totalitarianism is so much like the other that the average citizen is surely not going to prefer one to the other



A. B. STREET—NESMITH

The Policy Committee which supervises Yale's Labor and Management Center. Three members are from labor, three from management and three from the University

Labor Relations Go to College

By HOWARD WHITMAN

LABOR AND MANAGEMENT will always be different. But through research they are learning to face the difference realistically and avoid conflict

RECENTLY a labor leader went to Yale University to tell his troubles. Workers in some cities, he complained, would not stay organized. He had to organize them six or seven times.

"What's wrong?" he wanted to know. "Our organizers have had years of experience. Our union is one of the oldest in America. Why don't the workers react as they should?"

Not long afterward the president of a large corporation went to Yale with his troubles:

His firm had been paying top wages, believing this was the best way to keep workers happy. But in recent years a sharp drop in production had made his top management dubious.

"We've been making surveys of employee attitudes," the president said. "We assumed that, when we

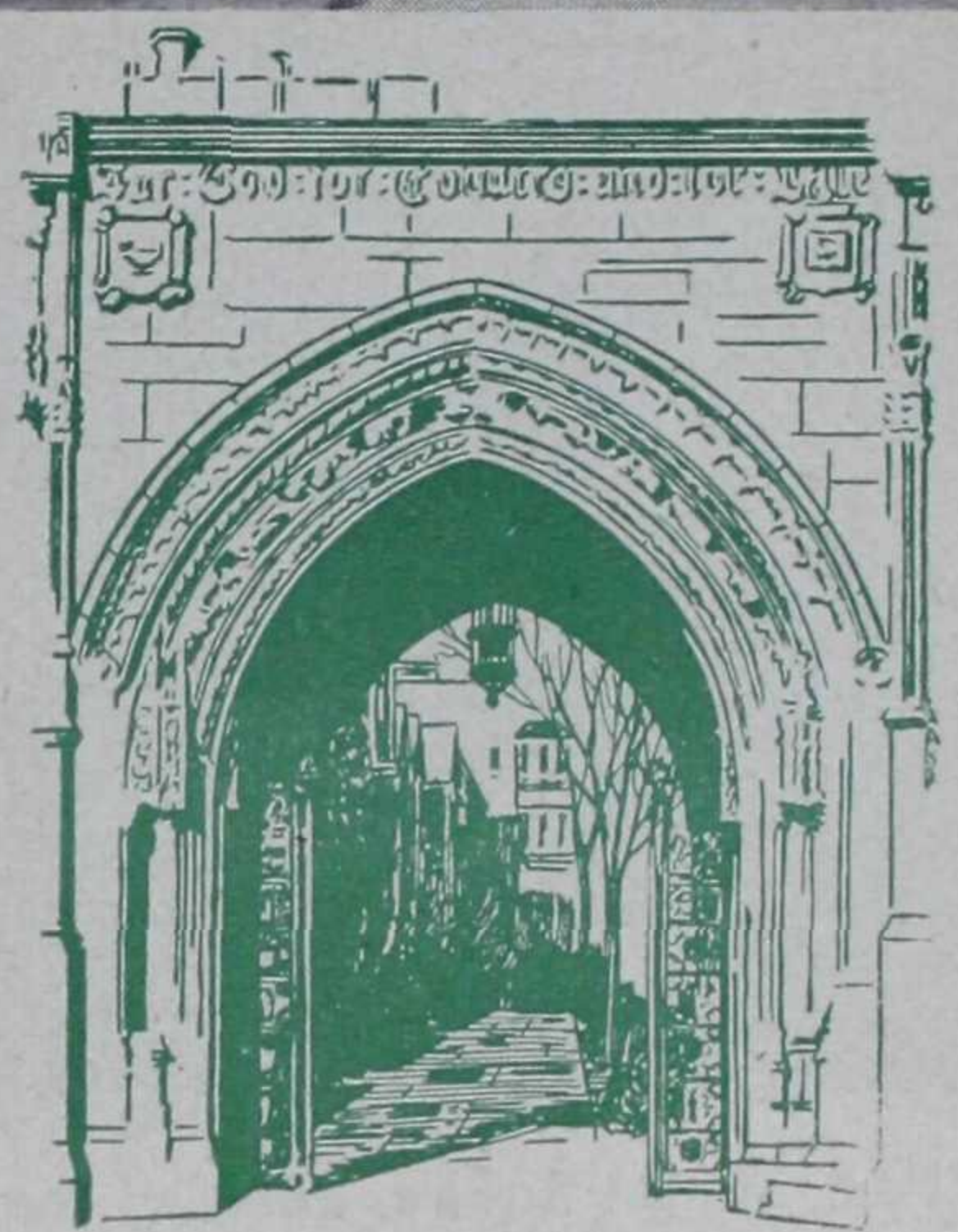
got this information, we'd have a good guide to company policy on labor relations.

"We got plenty of suggestions for tactics but few that have helped us formulate strategy. We've installed washrooms, changed lighting systems and adopted various benefit schemes. But we still don't know anything about the principles that govern a worker's reactions."

To such problems, and others growing out of labor-management relations, Yale's new Labor and Management Center, a research laboratory set up by Dr. E. Wight Bakke (pronounced Bocky), hopes to find answers.

Dr. Bakke and his staff of 20 are not so interested in what labor and management *do* as in *why* they do it.

"I am convinced," says Dr. Bakke, "that the lack of a theory of human behavior is our most





Clinton Golden of CIO and Robert Watt of AFL help present labor's point of view at Yale's labor and management research laboratory



E. Wight Bakke, head of the Center, chatting about labor problems with two interested undergraduates



Clinton Golden, Charles R. Walker of Yale's faculty and D. B. Robertson, railroad brotherhood head, find plenty to talk about

PHOTOS BY A. B. STREET—NESMITH

serious handicap in the development of policy in labor relations.

"Management, union leaders and workers all must have a working hunch—validated by experience—on such questions as:

"Why does the other person behave as he does?"

"Why does he change from one kind of behavior to another?"

"How will this proposal, or this action, affect him—and why?"

Studying human behavior

"THE purpose of scientific research is not to displace these hunches but to open up a wider range of experience against which they can be checked and to reduce that experience to systematic form."

To the union leader and to the company president Bakke could offer no magic formula. But he could, and did, offer them a "theory of adaptive human behavior."

Man, as Bakke and his research staff see him, is an organism working toward five goals:

1. To gain the respect of his fellow men.
2. To obtain as many material comforts and as much economic security as the most favored of his fellows.
3. To gain increasing control over his own affairs.
4. To gain a better understanding of the forces and factors at work in his world.
5. To live on a basis of integrity.



With the aid of the personal, social and natural resources available to him, man is trying to reach these goals. What he does is determined by his goals and is conditioned by his resources.

Once you accept this as the basic nature of a man, whether he is a laborer or a first vice president, you are a long way toward understanding his behavior in the economic world, the Yale folks believe. A worker wants to move on toward his goals, and he will join a union or fight a union with a fervor equal to the measure in which it clears or blocks his path.

The attraction of unions, Yale's research has revealed, is not concentrated, as many believe, on Goal 2: material comforts and economic security, or, in a word, more money. On the contrary, many a worker joins a union chiefly to gain the respect of his fellows by holding a union office, to get some feel-

ing of control over his own destiny, to feel he is in a spot of importance.

Men, Yale is certain, do not live by bread alone. The company president, who came to Bakke wondering why top wages weren't enough, went away knowing that there were other goals toward which the human beings in his long assembly line were striving. The union leader who couldn't keep 'em organized had to realize, too, that a union of itself is not the end-all of a worker's existence. If a union does not speed him toward his goals, he will have none of it.

The old elixir of labor peace—"Our troubles would be over if only labor and management leaders would go out for a beer together"—is filed in the wastebasket by the Labor and Management Center. Yale does get labor and management together in evening classes, and occasionally they whip out for beers afterward. But familiarity is not a panacea although it does help labor and management to realize how different and often antagonistic are their honest and legitimate compulsions toward the same goals.

As Bakke puts it, "It isn't enough to conclude that all men are human beings. The thing that determines their action is the particular kind of human beings their environment has made them. Men behave, particularly in labor-management relations, according to the compulsions of the job they are trying to do. The biggest step you can take to avoid hysterical, emotional conflict is to understand the things that compel the fellow on the other side of the table to act as he does."

Differences show up

THE "differentness" of labor and management reflects itself even in semantics. When Yale researchers ask a working man the meaning of *wages*, he says, "What you buy groceries with." Management defines it as "a cost of production."

Labor and management, Yale insists, must cease viewing each other as mirror images. Many a squabble has resulted from management's desire to have unions behave as though they were businesses, or from labor's desire that management behave as though it were a union.

Yale's behavior theory demands
(Continued on page 95)



Robert F. Black, head of White Motor Co., and Edgar Furniss, Yale's Provost; two members of the Center's Policy Committee



H. L. Derby, industrialist, and Colby Chester of General Foods listen to a discussion of why the other fellow acts as he does



Robert Watt and H. L. Derby agree that one aim of both the boss and the worker is to gain increasing respect of his fellow men

Tricks That Ring Cash

By ELMER WHEELER

IT happened to me years ago in Penfield.

As a small boy, I earned spending money by selling eggs on my Grandpa's farm on Sunday afternoons.

Grandpa had a real fancy sign made for me. It was painted in three weatherproof colors from Sears' paint department. It read FRESH EGGS. It had a fancy white pullet in the upper left-hand corner.

Then one day the rain and wind shattered my sign. Of necessity, I made myself a crude, homemade sign and propped it on an old apple box.

Being a small boy I had put the

THE TRICKS of the trade, and not trickery, can help move merchandise and make a success of your business



Seeing my homemade sign, they figured that I was just a country boy who didn't know about city prices

The word "frisky" in the sign brought the customers trooping in

Registers



Most people find it hard
to resist a steak you can
see and smell and hear

S's on backward. My business doubled that day.

Unconsciously I had unearthed my first "trick of the trade" in life. The city folks, seeing my home-made sign, figured I was just a country boy who didn't know about city prices.

You see, my fancy sign with the white pullet scared 'em away!

I had learned early in life that selling things to people is a "trick," but it is *not* "trickery."

Trickery can only be used once per person; tricks of the trade can be repeated day in and day out, because they are legitimate.

Tricks of the trade quickly highlight the important factors in whatever you are trying to sell the public, because they cut down conversation and help the public understand what is on your mind.

Since the Penfield days I have been collecting tricks of the trade. Soon business houses were writing to me for "some of your selling sizzles." I opened up shop.

My first assignment was with

American Airlines. Working with these people in pioneering this new trade, we quickly eliminated "safety belts" and the expression "thunder storms."

Many fares lost

THE stewardess used to rush up and shout, "Better hook up your safety belt for the thunder storms ahead!"

You gulped fast. Sweat poured from you. At the next airport you cancelled out, taking a train.

Now the stewardess says, "May I fasten your *seat belt* for the *climatic changes* of nature ahead?"

You fasten yourself in, and relax as you watch the climatic changes of nature.

Out in west Texas recently I saw a real western trick of the trade with a true Texas twang.

Most signs in front of fishing huts on the highway said, MINNOWS FOR SALE.

One hut had more business than all the rest. I wondered why. Then



A new sales approach
boosted the sale of
deodorants to men

PAUL HOFFMASTER

I saw their signs, which said, FRISKY MINNOWS FOR SALE.

Tricks of the trade are not the exclusive property of high-powered ad agencies or "sales manual factories."

While pointing up the selling language for Hotels Statler, we hit upon the slogan to sell the new Zombie importation—that delectable 12 ounces of dynamite.

We merely put up a sign saying: ONLY ONE TO A CUSTOMER!

Imagine back in the depression the actual limiting of drinks to a customer! Yet it worked magic!

People bribed waiters and bartenders for two and three! They wanted to prove to their friends they could drink that many, that they were he-drinkers!

In Warren, Ohio, I was taken over to a lounge to see one of the town's outstanding selling tricks.

We all ordered a round of tall ones. The usual procedure is for the waiter to pour the little glass of liquid into the larger glass of water, and to put the little glass back on his tray.

Not at this place. The waiter poured the little glass into the larger glass, then set it back down in front of the customer.

He repeated this all around the cocktail table, then started all over.

This time he picked up the little

glass and shook it into the big glass, and glory be, each of us received three extra drops.

A simple business-builder that did not cost the place one cent more in liquid, rent or salaries!

Pie with special service

I STEPPED into a Stouffer Restaurant some time ago to order their famous Dutch Apple Pie.

The counter was busy and I would have taken the first piece of pie the girl reached for; but she pulled out one piece, looked at it, shook her head, and replaced it.

She pulled out a second piece, stuck up her nose, and shoved it back into place on the shelf.

She reached for a third piece of pie, suddenly smiled, and placed it smack in front of me without a single word!

Some 17 years ago the Walgreen people used a trick of the trade to get an egg into their milk shakes as a plus sale.

The depression was on. Everybody needed plus business.

In the beginning the soda clerk would say: "Will one egg be enough?" nodding his head.

Most customers nodded back, au-

tomatically (monkey-see, monkey-do technique), and got the egg; then got outside, and cussed for having been taken in by a trick.

So "One or two eggs in your shake?" was tried, with the clerk holding an egg, in full view of the customer—one egg in each hand!

The average customer (and that is all of us) would look first at one egg, then the other, and say, "Oh, one egg is enough, thanks!"

In actual tests, with mathematical precision, six out of ten customers responded this way!

The Pennsylvania Drug Stores in New York and a department store fountain in Brooklyn used a similar technique to sell large-size drinks. The clerks said, "Large one?" nodding their heads.

We tested the idea on 5,000 customers and sold large drinks to 3,600 people!

That meant five cents more per

customer! This increase in business saved many a small drug store during the tough depression years!

The power of words!

A waiter walking through a restaurant with a sizzling steak can sell more than if the steer, itself, paraded through taking orders for his shank bone.

When the sizzling steak is paraded, first you *hear* it, then *see* it, then *smell* it, and that sizzle has dealt a triple blow to your senses.

Hidden in everything is a sizzle, an emotional urge that makes people want what you have to offer.

George Edwards, former buyer in Macy's grocery department, wanted to know what is the sizzle in dog food.

The true test of a dog food is whether or not the dog likes it. Merely to point out the contents in small type to a customer got "Yeah, I see what it contains, but will the little dog like it? He can't read, you know!"

So "It will make the little dog bark for more!" was tried. That lasted just ten minutes until three women said, "Haven't you anything that will keep him from barking; he is in trouble now with the neighbors and the landlord."

So it became "It will make the little dog's tail wag for more!"

Dog food sold!

Resistance melted

BACK in the depression thirties, the Hecht Company in Washington found itself loaded up with expensive rubber fly swatters.

They were square and cost five cents extra. Why?

The "why" was a stopper until the salespeople said, "They are square and get 'em in the corners!"

That was worth the five cents extra. Five cents more of swatting surface!

Then "They are rubber and hubby won't scratch your furniture!" was added.

Tricks of the trade! How the public likes them!

Some 12 years ago W. T. Grant Stores found their counters suddenly filled with square clothespins, at three cents more per dozen. They needed a way to sell the square clothespins.

One day a clothespin fell to the floor. It did not roll!

The salespeople began to say, "They won't roll when dropped!" and dropped one on the counter to prove the point!

Recently Mr. Grant told me this simple trick of the trade has already sold some 30,000,000 square

(Continued on page 64)

He spreads out his brushes,
puts them back slowly, gives
you a sales talk on each one





A person receiving unemployment benefits need not look for a job

Ten Years of Job Insurance

By JUNIUS B. WOOD

NOW THAT the United States Employment Service has been returned to the states, unemployment compensation laws are slated to be changed

WHEN OUR national Treasury balanced its books at the end of the past fiscal year, June 30, it listed a \$6,732,422,000 nest egg for a rainy day.

In addition, it had a separate \$750,000,000 to distribute this omelet if necessary. A contemplated administrative expense of \$1, to distribute \$9, is generous even for government spending.

This fund of close to \$7,000,000,000 has been deposited in the federal Treasury by the 48 states, the District of Columbia, Hawaii and Alaska to pay unemployment compensation. In ten years, by Treasury Department figures, the states have collected \$10,041,802,000, of which only \$3,309,380,000 has been disbursed in benefits. In the same years, the Government has spent some \$530,000,000 of the \$1,280,527,000, which it collected to administer the fund.

If the United States should experience a total shutdown—which even the most melancholy do not expect—of all manufacturing, wholesale and retail business, transportation, communications, public utilities, banking, insurance, real estate, construction, mining and a few other lines whose workers are covered by unemployment insurance, the balance in the Treasury would be sufficient to pay the usual unemployment benefits to the 44,000,000 eligible workers for eight weeks.

The substantial total has been raised by taxes on employers in each state and, in four states—Alabama, California, New Jersey and Rhode Island—by a smaller

tax on employees. Recent legislation in California and Rhode Island has diverted their modest employee tax to disability and sickness insurance funds. Each state's withdrawals from the fund are limited to its own contributions and only for benefits. If a state runs short, it may tap the Government's \$750,000,000, but none have.

Credits in the Treasury

A NOVEL feature of these state deposits in the Treasury's general fund is that the Government uses them for current expenses though it credits each state with interest. Instead of having cash, a state has a credit in the Treasury. The Government must meet state with-

drawals either from current revenues or by selling bonds to the public, in either case by more taxes on workers as well as on employers.

The "money in the bank" feeling from these credits has brought a liberal interpretation of eligibility for unemployment benefits in every state. In this age, assistance to the unemployed is as much a recognized obligation of a healthy society or nation as are aid to the handicapped and care of the ill and aged. Some applicants appear to presume on this national responsibility when claiming unemployment compensation.

Divided official authority has hampered a strict scrutiny of every applicant's eligibility claims. This was a compelling factor in the decision of Congress to

transfer the United States Employment Service (USES) from the Social Security Board to the Department of Labor and to return its 1,800 offices—there were 2,100 at one time—to the states. They had been transferred to the federal Government as a war measure on Jan. 1, 1942.

That an individual receiving unemployment payments is not obliged to look for a job is another weakness in operation. The burden of providing work rests on the federal or state employment service. Until it finds a suitable job, the individual can remain



Loafing is made easier than working by present system of benefits, say critics

on an unemployment payroll. Under the previous setup, USES attempted to provide the jobs and the states paid the benefits. The latter may be more strict when they perform both functions.

To receive unemployment benefits, a person must be qualified beyond merely being out of work. The qualifications are:

1. That he or she has been out of work for a week or more. States differ on the required waiting period. Maryland alone starts benefit payments immediately.

2. That the applicant has registered for work with a state employment service. The office verifies that he has been employed, lists him for a new job and certifies him to the unemployment compensation office.

3. That the applicant has credits from wages earned in an establishment covered by unemployment insurance. Workers on farms, in homes, government offices and plants, charitable, religious or non-

the job must be within 30 miles of his home and that there is transportation. Reversing the war migration to industrial centers, thousands have returned to their home states and receive compensation from the state where they worked.

6. That the applicant has not refused an offer of suitable work. What is suitable depends on the state law and the interpretations of the local board.

In some states lack of one qualification bars an applicant from receiving any compensation. In others, it merely reduces the weekly stipend or its duration or postpones payments for a week or more.

Loafing easier than work

APPLICATION of the laws depends on many different enforcement officials. Some contend that even a \$20 a week maximum compensation is so low that anyone will be up and doing to get a job which pays more. Critics say that loafing is

easier than working and that a tax-free, take-home \$20 in compensation is equal to \$27 or \$30 in wages after deducting income tax, Social Security payments, lunches, carfare, work clothes and laundry. Since an unemployed person also might need a clean shirt, lunches and probably more carfare than a trip to and from the factory would require, \$25 in wages seems a fairer equivalent to \$20 in compensation. Also, anyone who qualified for benefits from a previous \$25 job, probably would not receive a \$20 maximum for 26 weeks.

As it expects a man or woman out of work to hunt for a job, the employment service also expects the self-interest of the employer to provide it with a list of jobs. Although an employer may advertise for help—newspapers, signs or mail—the service sees not; nor hears not. It refers the unemployed only to jobs which are listed with its office. It presumes that an employer will list job openings and thus reduce his future taxes. As such savings to employers are in the indefinite future and as many employers prefer applicants

who look for jobs to those sent by state employment services, only a fraction of the openings are listed.

The regulations have loopholes. A veteran who has qualified by previous employment theoretically can get \$20 for 26 weeks as un-



Baltimore jail prisoners are reported to have sent friends to collect their money



Some folks prefer to take it easy for a modest fee rather than work

profit organizations, for themselves or in places with less than a specified number of employees are not covered by unemployment insurance. Railroad workers have their own fund.

4. That the applicant has not voluntarily quit his last job or been discharged for cause. Unemployment due to strikes is a special category.

5. That the applicant is available for work, commonly meaning that

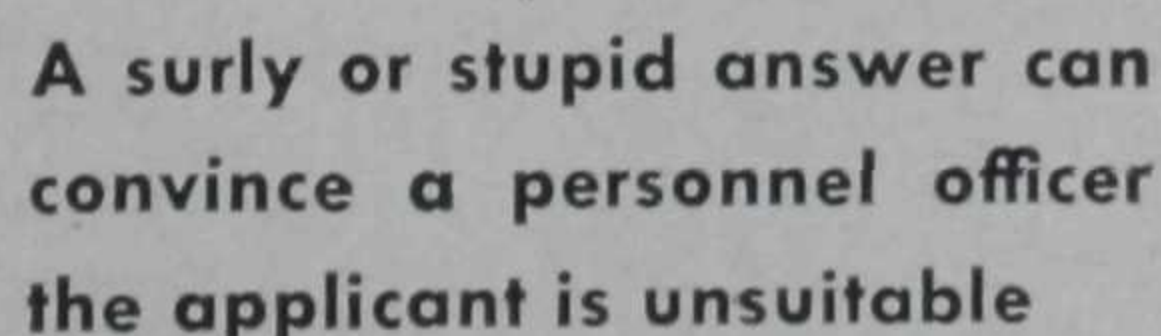
employment compensation and follow that with \$20 for 52 weeks of GI readjustment allowance. Such a joy ride will end abruptly if the employment service finds a suitable job for him. By split timing, a civilian can get 26 weeks of compensation and follow that with another 26 weeks, the latter based on what he has earned in a succeeding year. There is no report that anybody has turned the trick.

Benefits and relief

IN some states, it is possible to receive unemployment benefits in addition to local relief, a retirement pension and workmen's compensation payments. Except for the unemployment benefits, the others have been earned.

Checking up on an individual who does odd jobs or runs his own business while receiving compensation as unemployed is almost impossible. It is only slightly less hopeless trying to keep track of those who get steady work in occupations that are not covered by unemployment benefits, chiefly agricultural and household. Though the employe violates the law by continuing to accept compensation or, at least part of it, the employer, not being covered, does not report periodically. If the employe can get part of a day off each

In deciding whether a worker has disqualified himself for compensation by voluntarily leaving a job, state offices weigh the reasons for quitting. Health reasons, lack of transportation, friction with a foreman or other employes, to take a better job which does not pan out, or family reasons are usually



49

Mars



Arms the Breeze to Kill

By HERBERT COREY

SCIENTISTS see increasing horrors in future wars unless America and other peace-loving nations can find a way to prevent fighting

JOHN MARTIN kissed his wife and reached for his hat in one coordinated sweep. The morning marital brush-off was chillier than usual. Cold, in fact, Mr. Martin reflected, as he slammed the door of the flat. The woman had barely moved her lips.

"Nerves, hah," said Mr. Martin to himself bitterly, as he waited for the elevator. "Bad temper. That's what it is. Any fool knows there will not be another war—"

Sally wiped the tears from her eyes and went over to the window to watch John as he crossed Morningside Avenue. He always waved at her as he entered the little park toward the subway. Even when they had quarreled. She could not see what had gotten into her lately. Of course, John knew more about world politics. When he said the diplomats would stop short of fighting, he was right, of course.

This stuff she had been reading in the papers that the whole population of the city could be wiped out by a single whiff of poison gas was silly. She loved John—

Mr. Martin remarked to the elevator man that it was a nice morning.

"I don't feel so good," said the elevator man. "Kinda sleepy."

Mr. Martin sat down on the little bench in the park from which he could see his wife in the window and lighted a cigaret. At this hour the benches usually were empty, but this morning they were filled with old dodos crumpled over as though they had bellyaches. He waved at Sally and the cigaret fell from his fingers.

She threw open the window of the sixth floor flat and screamed. She ran into the corridor and rang for the elevator. When it did not come she ran down the stairway.

The elevator bell was ringing a continuous peal. The operator was asleep in the open door. As she ran into the street she could hear the city's whistles in a diminishing roar, as though another hero was being boated up the North River. John was still sitting on the park bench.

Then she fell forward and died.

She had been right, after all. Sally and the scientists. The enemy had not waited to make a formal declaration of war. Overnight he had saturated the stratosphere with infinitesimal particles of the new poison, and they had filtered down and New York had died.

The greatest concentration was at the lower levels, of course, and so those going to work in the subways died first. The motormen were dead in their little cabins, their hands still resting on the Dead Man's button. The trains slowed and stopped when they came to the trips devised to prevent collision.

Engineers died in the basements of the great buildings. Slowly the tide of death moved upward, and the noises of the city lessened. Perhaps the last to die were the residents of the \$40,000 a year apart-



LEWIS DANIEL

ments high in the Waldorf's tower. As the last of them slid limply under his breakfast table, enemy submarines rose casually in the harbor, lithe monsters that foamed up the harbor with the speed of surface ships.

Open to capture

SAILORS in specially treated clothing made them snug at docks while enemy soldiers, their guns slung at their shoulders, climbed out with special instruments to test if the winds had dissipated the poison. There was no hurry. All up and down the coast and in key cities inland, the same thing was happening.

A people's "will to fight"—top objective of war since Marathon—had been conquered. The war was over and, awaiting the invader, were cities, silent and untouched. In most ways they were as good as new except for the bearings in a few machines that had burned out before the untended engines stopped.

All the enemy had to do was clear away the dead. He need not feed nor guard them. This represented a great saving. War at last was being conducted on a coldly

sensible plan. The silly waste of property by bomb and shell had been ended. Men and women were killed, but the killing of men and women is the chief and legitimate aim of modern war.

This is not nonsense.

It merely has not happened yet. It may never happen.

The world may be frightened into sanity by the knowledge of what is going on in its various enterprises for killing.

But it might happen. One of the national authorities on bacterial warfare freely admits that "no one can foresee what may happen in the future."

It has been said that enough of the new poison could be smuggled into New York City in a pen and pencil set to lay its 8,000,000 people dead. This authority says this statement is "fantastic." But if an enemy were able to smuggle in a tablespoonful, he could probably bring in much more—and distribute it. The distributing of such poisons is the sticking point.

"No one has found out how to do it—not yet."

The authorities—the really big people—do not approve the publication of the facts and possibilities of the new poisons. No one knows

enough—yet. Much that is known was discovered in the frantic search for a toxoid—antidote to the layman—which would neutralize the new poison.

It is feared that if we make too much stir about the new things, other nations will bestir themselves and discover poisons of their own. It is argued that the new poisons are not yet manageable and that, anyhow, the world will wake out of its spasm of murder and take steps to prevent future mass killing. Always the emphasis is on the little word "yet."

There is no present danger. Not yet.

But if the scientifically organized enemy wished to be practical, World War II fashion, and keep enough New Yorkers alive to do the slave work in his captured city, he could spill the germs of disease—of diseases—and the 8,000,000 would get sick. Or the disease germs might be so tempered that only the old, weak, and frightened would die. They could not be considered economic units.

The strong and brave would live to work for the new boss.

Or the country could be starved. Powders dropped from planes or scattered by bursting bombs could kill the crops.

All these things are possible in some not too distant time, if the scientists keep up their work. The theory of mass death by poison and bacteria has been proved. The enemy need only perfect a plan of distribution. This is admittedly difficult, but it could be done.

Poisoned water

RADIOACTIVE materials could be dropped in the reservoirs, and the deadly rays would be carried into each city home through the iron-piped water system. Men and women would not even know they had been poisoned. Some might suspect in time and get away to the mountains and live in holes like conies. The others would get weaker, a little bit at a time, feeling no pain, except that sybarites who take two baths a day would soften a little faster than the rest of us, and by and by they would die.

The weaklings would
(Continued on page 105)



The Allies battered German cities to rubble, but left themselves the huge task of caring for those made homeless and hungry

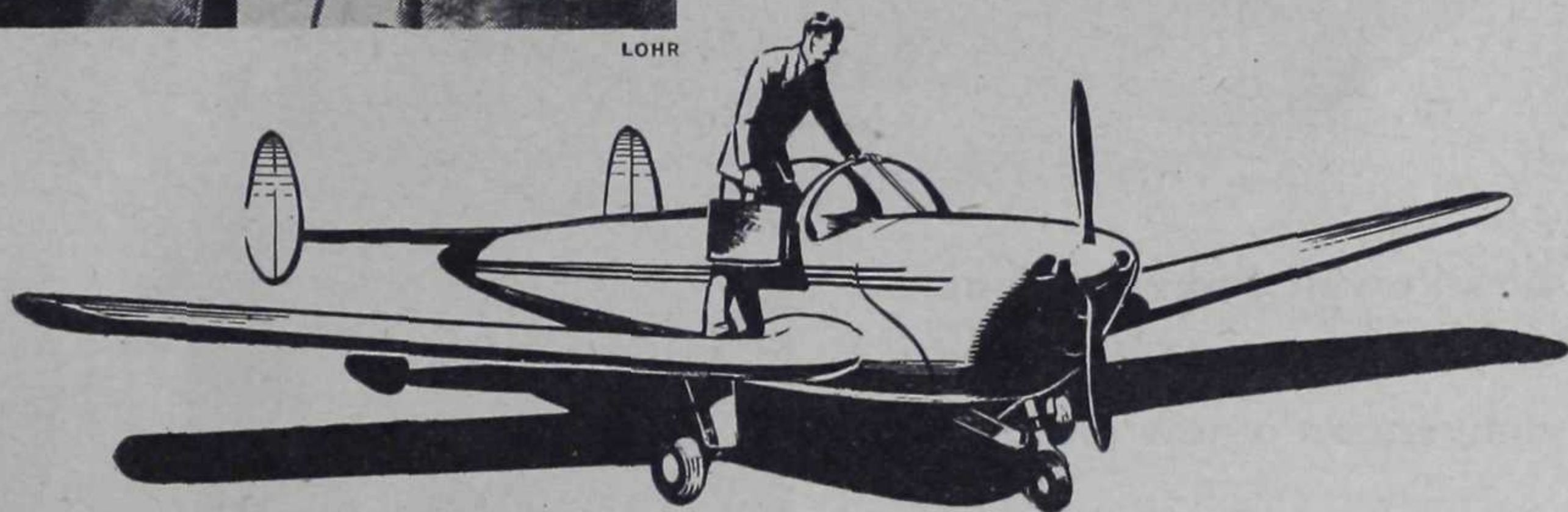
They Find Business Sky High

By HAROLD HELFER

THE aircraft industry had a delivery problem until two pilots came up with an idea that put them to work



LOHR



David J. Klingenberg, operations chief, checks mileage for a trip. Pilot Henry Roach examines a new model craft

LEON WILDER and Andy Waggener are a couple of young fellows who parlayed a wartime dream and \$5,000 into a \$400,000 business and a lot of fun.

A little more than a year ago they were just two of the many guys uprooted by the globular hostilities. Today they are recognized as pioneers in a new phase of aviation and their concern is considered an integral part of the flying picture of this country.

When you look at the price of an airplane quoted in an advertisement you see the f. a. f. price. Corresponding to f. o. b. in the automobile world, f. a. f. means fly-away factory. As in the case of the auto industry, somebody has to

move the manufactured vehicle from its point of origin to the dealer. Wilder and Waggener have taken it upon themselves to attend to this.

Convinced that this activity was going to be a worth-while enterprise in the postwar world, the two young aviation-minded men laid their plans while the conflict was still raging. When the first break

came they were ready to move in. They didn't even wait until the war's end. Forty-eight hours after the first bomb had been dropped on Hiroshima the American Fly Away Service was born.

It was a success from inception, but that doesn't mean there weren't a lot of tough knots to unravel. To begin with, names of dealers had to be obtained. Some

were known, others weren't. Each manufacturer was eager to obtain the best men possible to act as his dealers, and once he had lined up his men, he didn't want rival concerns luring them away.

Overcame obstacles

SO the young ferry service concern was faced with the task of convincing manufacturers that it could be trusted with these confidential lists, which were vital to the new company, since it was the dealers who bought its service. Gradually Wilder and Waggener melted the resistance of manufacturers and

based everything on mileage figures. To stay in line with these computations, and to know what they were doing, it became necessary to obtain insurance rates based on mileage, but insurance firms contacted quoted rates on an hourly basis.

The insurance companies were reluctant to change their way to a mileage basis, but in the end, the two not only got a rate they desired, but one that was lower than rates generally accorded planes.

The third hurdle, and perhaps the most important, was determining how to deal with pilots who would ferry the planes.

In all these matters the team of Wilder and Waggener was trail blazing. Never before had there been anything like a commercially organized plane ferry business. Aviation services at airports made their money chiefly by giving instructions to would-be pilots. When a plane was sold, the dealer who consummated the matter or the plane buyer himself went to the manufacturing plant and accepted the aircraft.

But with the sale of personal planes getting into big numbers it would be poor business for a plane dealer to ferry the aircraft himself and, like the auto dealer, he would have to have it ferried to him. That was the angle Wilder and Waggener went to work on.

In the engaging of pilots, one fact stood out. Plenty of pilots were available, but a matter of policy had to be determined. With the pilot supply-and-demand being what it was, aviators could be picked up at a modest price. The question was: Should they be?

The temptation, of course, was to do it. But Wilder and Waggener resisted this temptation. They decided they'd rather pay well, get the better pilots and build up a reputation of dependability for their service. For the two W boys didn't want a fly-by-night business even if it meant cleaning up temporarily.

They came to the conclusion that since pilots are more or less rugged
(Continued on page 68)



Dick Powell and wife, June Allyson, film notables, take delivery on a new plane

managed to obtain the lists, but it was only after hard going and many months had elapsed.

The next headache was to get insurance for the planes handled. Without insurance, and at a reasonable rate, the service couldn't function profitably. One piece of bad luck, one crack-up, and it might be ruined. In computing the charge for American Fly Away Service, Wilder and Waggener



The weather reports in the Washington branch office are tabulated by Miss Mary Hankla of the secretarial staff



J. N. WALTERS
Four preachers who took part in the annual corn husking to raise funds for the church

I've Found a Contented Town

By LABERT ST. CLAIR

I HAVE just completed a 15,000-mile, zigzag, coast-to-coast tour of the United States, largely by automobile. In the course of these travels I talked with hundreds of persons in widely contrasting walks of life such as pugilists and preachers, sandhogs and senators, mendicants and millionaires, mainly about their views on current affairs and their personal desires for the future.

Unanimously I found great perplexity over present conditions and vast concern over the days to come. What impressed me most was an almost universal yearning for plans of living which will bring peace and contentment without regard to financial rewards. But such plans in more than vague forms were few.

Then, quite unexpectedly, one day near the end of my journeys, I wandered into a village where contentment appeared to reign generally. Further, I am convinced, it bids fair to continue to reign without date with at least a majority of the residents.

The place is Carlisle, Indiana, the officially designated center of population of the United States. It

lies 38 miles south of Terre Haute, Ind., on the Chicago & Eastern Illinois Railroad. The Census Bureau of the Department of Commerce in 1942 selected the town as the official population center. An iron post in a field northeast of town marks the exact spot.

There, in this village of 872 persons, prevails contentment of the variety most of us middle-agers fondly associate with mid-Victorian days. Old residents assured me, too, that this peace and calm has prevailed locally almost without interruption for more than a century. The worst upset in memory occurred during World War II when many boys

God's Acres Corn Husking

WED., OCT. 9th

"Rain Date October 15"

The Corn Husking of the Shaker Prairie Christian Church on the God's Acres on the Orr & Griffin farm three miles west of Carlisle on the Hyatt's Ferry road will be held on the above date with a

BASKET DINNER

at the noon hour, and all farmers and the public generally are invited to attend.

Farm Editor to Attend

Bill Renshaw, field editor of the *Prairie Farmer*, will be present to lend a hand.

Make Wednesday, October 9th, a must date and attend this event and help the church husk their corn to be sold and the money used for God's work.

were called to the service. Now, however, most of them have returned and Carlisle life moves serenely on as it did before Hitler started messing up the world.

Here national and international problems that make leading politicians sweat, financiers shiver and diplomats swear, get scarcely a tumble. Especially ignored are foreign affairs.

Sure, most Carlisle citizens will tell you, when pressed for an opinion, that they think we should help preserve the peace of the world, but why make it our year round business? When Europe becomes involved in another war, they assert, we shall have to step in and fight and then pay the bills, too. Isn't that enough without worrying about current foreign squabbles in the meantime?

Help maintain day-to-day peace? Phooey! Those foreign politicians always have made suckers of us at conference tables and always will. Better stay at home and earn enough money so we can afford to pay our share of the cost of World War III, instead

of dabbling around abroad and being broke when it comes time to pay.

What about Henry Wallace? A grin. Probably nobody in Carlisle subscribes to the *New Republic* now, and under Henry's editorship the publication in all likelihood will just about hold its own locally.

Want little interference

THAT'S a fair cross-section of what the average Carlisle citizen will tell you, Hoosier to Hoosier. But he seldom will volunteer anything about the foreign situation. Domestic affairs? Well, the community always has been Democratic, but politics is not a matter of great local interest. The farmers, from whom Carlisle draws its chief support, are prosperous. They and the local business men do not like federal government interference with their affairs, and lower taxes would be appreciated, but nobody is tearing his hair about either issue.

Meat shortage? That's a good one! Whatever sporadic shortage there has been has come from alleged favoritism to out-of-town customers shown by a meat shop employe from an adjoining town. The women heard the story, got mad and showed resentment one day. Generally there had been no meat shortage. Two local slaughter houses and one well-stocked locker plant took care of things until shortly before election. Then meat got a bit scarce and there was a shortage in lard particularly. The national shortages in butter, soap and shirts prevailed, but nobody got too greatly disturbed about them. One reason is Carlisle women still can make soap from lye and grease.

The town has no large industries, never has had any and nobody cares particularly whether it ever



Editor Edley Rogers prints only local news in his paper, and he writes every word of it himself



J. N. WALTERS

Carlisle, Ind., has solved the problem of what to do with its spare time over weekends. Every Sunday there's a rodeo within riding distance, and everyone who can sit on a horse can compete

does have them or not. During the war, it attracted no huge war plants. That might have disturbed some places, but not Carlisle. Now it looks around and sees other communities which rushed into airplane plants and similar war booms suffering from slumps, and feels all right.

The population never has reached 1,000 and nobody cares. Even the fact that a sign on the east side of town says "Carlisle Pop. 854," and one on the south side says "Carlisle Pop. 872" causes no concern. The official population figure is 872.

The Lions Club is active in making Carlisle a pleasant place in which to live, but its members are not out roaring up and down Highway No. 41, Chicago to Evansville, waving bonuses at passing motorists and shouting, "Bigger and Better Carlisle wants you!" If folks want to stop and stay they will be made welcome. A retired Navy man and his wife, who had toured from the Great Lakes to the Gulf seeking an attractive place to settle down, bought a house at the edge of town the day I left there, so the official population soon should be 874, but the increase will not be due to a concerted drive.

No booster spirit

THIS may sound odd to go-getters who can easily visualize the advertising possibilities of a town strategically located in the population center of the United States. One naturally would expect the place either to be swarming with local boosters or dead on its feet. Well, neither condition obtains. Carlisle is just a nice friendly solvent community with enough business places to render good local service, sound banking facilities, good schools, a complete new water and light system authorized, attractive homes and a heap of comfortable living for folks who know how to appreciate decent small town life.

"What," I asked shrewd and friendly Edley W. Rogers, for 40 years editor and owner of the *Carlisle News*, "is the answer to such widespread contentment in this town?"

Rogers, who has the calm of a Hoosier horse trader, contemplated the end of his ever-present cigar for a few minutes and then replied:

"I suppose it's because we travel along on about an even keel all of the time."

Everett Jones, the banker, allowed, after deliberation, that Edley's answer could not be improved upon.

It was a Sunday afternoon when I struck the town and, frankly, I expected things to be rather dull. In most Indiana villages if the drug store and depot are not open on Sunday afternoon, there is no place to go or anything to do. But Carlisle was

teeming with interest. The local rodeo club, composed of horse owners and horse lovers, was staging its first show and the entire town had turned out. Every business place was closed in honor of the event and everybody who owned a horse or could borrow one was mounted in the big parade which swept into Main Street as I drove up.

More than a hundred men, women and children riders, ranging from five to 85 years of age and costumed from overalls to expensive western regalia, made up the parade. They were a shouting, singing, laughing lot. Led by a loudspeaker outfit, which alternately rendered cowboy music and rodeo plugs, the parade pranced through town and then proceeded to the park where a crowd equivalent to the town's entire population paid admission to see the contestants struggle for cash prizes.

Amateur rodeos are quite popular currently in the Middle West, particularly in Indiana. It is declared that today there are more saddle horses in Indiana than in any other state in the union. Most of them are spotted, or calico, ponies. They bring good prices, averaging \$75 to \$250 each, and sometimes as much as \$1,000. Carlisle has its share of horses. A year ago when Bill Storms, president of the local club, brought the first spotted pony to town, the natives laughed at him. Now, however, there are 25 western riders in Carlisle alone and hundreds in the surrounding country.

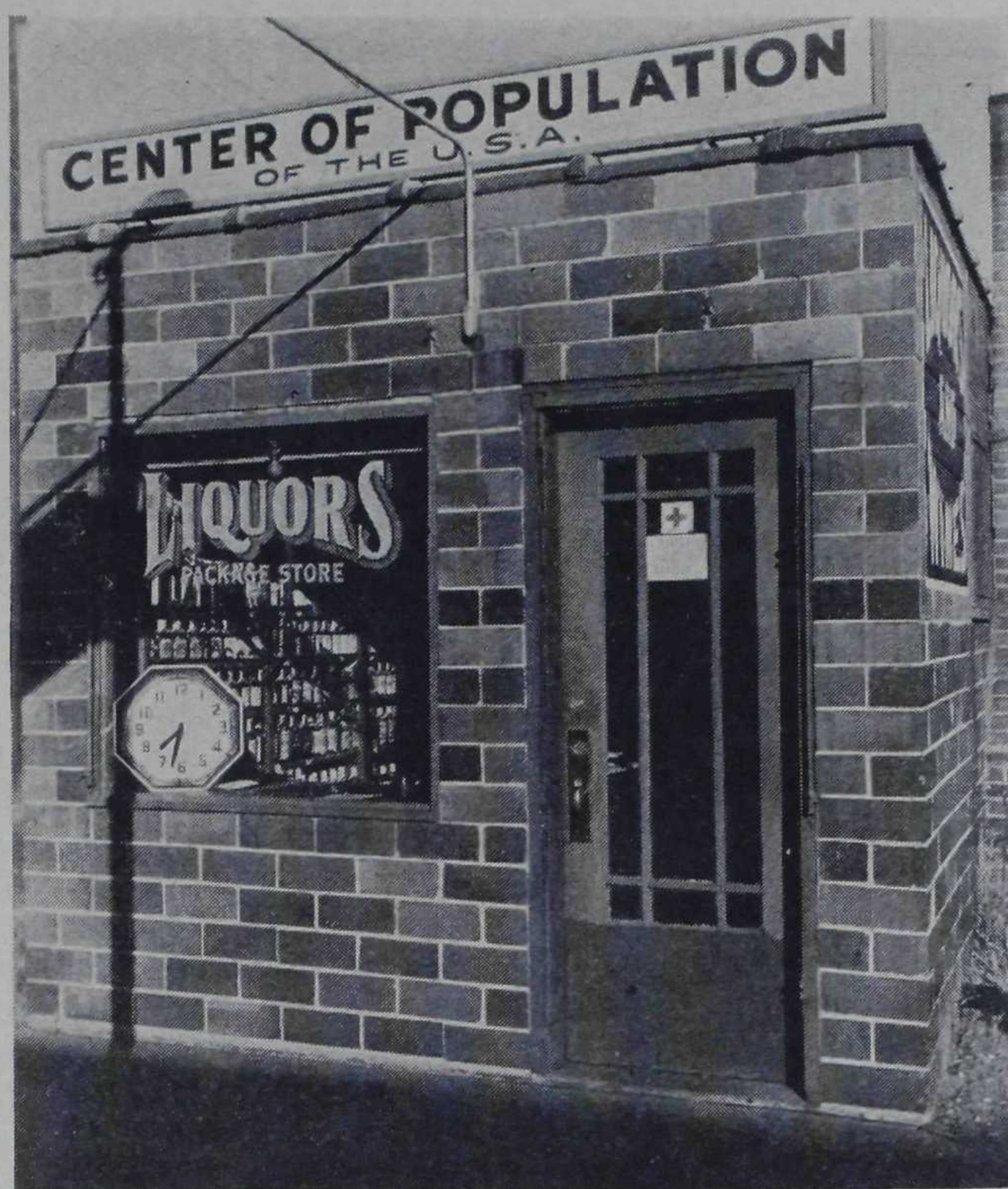
What to do weekends always has been the major problem in little towns and maybe the fact that amateur rodeoing answers that perplexity explains the popularity of the sport. In Carlisle, staid business men, with a whoop and a holler, lock up their establishments on Friday or Saturday afternoon, hop on their piebald ponies and go helling away across the stubblefields, yipping and ki-yi-ing just like old cowhands. Every Sunday there is a rodeo within riding distance. The contests are arranged for amateurs so that anybody who can sit on a horse can compete.

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Fun for everyone

THE balloon contest is a good example. An inflated balloon is tied to the tail of each contesting pony. Then all of the mounted entrants are ridden into the ring and the fun begins. The idea is to burst all balloons but one in the shortest possible time. The last man with an inflated balloon on his horse's tail is declared the winner. Contestants may ride their ponies over balloons, puncture them with spurs, pins or any instruments, or resort to other methods of bursting the bags. Of course, the horses are kept moving and their tails are in constant mo-



J. N. WALTERS

**When this store is closed, you can get the key
at the gas station next door and help yourself**

tion, and all of this, added to the yelling, fighting and clawing of the contestants, makes for great uproar, excitement and fun.

Contests for fun

DIAPER-FITTING contests—for women only—also are popular. Two women form a team. One stands on a barrel at an end of the ring holding a "diaper" which may be a gunny sack or any other piece of material. The second member of the team, garbed in riding breeches, stands on a barrel at an opposite end of the ring holding a horse. At a signal the rider mounts, gallops to her partner at the opposite end of the ring, dismounts, hands her horse over to her partner, grabs a diaper, folds it and then tries to pin it on herself in the shortest possible space of time. Rodeo fans told me that the best contests result from the management cutting the diaper material so short that it will scarcely go around the form of even the smallest contestant.

Objection of one citizen to the rodeo club charging admission to a show held on public property seemed to some to promise a town row. I asked Bill Storms about that and he just grinned.

"There won't be any trouble," he said. "I've just given orders to let the objector in free if he appears at any future shows."

It's natural diplomatic ability of this type which makes men like Storms become presidents in Indiana.

Just because Carlisle enjoys Sunday rodeos, do not gather the impression that it is a sinful town without churches or church influ-

ence. It has several churches and one of them, the Shaker Prairie Christian Church, located just west of town, conducts its affairs on about the soundest business basis of any church I ever have encountered.

Like all church congregations, this one has current expenses which have to be met regularly.

Instead of holding church suppers, ice cream socials and rummage sales, the Shaker Prairie membership keeps currently solvent by doing what it understands how to do best—raising hog corn. The church regularly leases on a 50-50 share crop basis enough corn land to raise a crop that will pay its yearly obligations. On a certain day each spring, a handbill announces that the congregation will gather at a farm owned jointly by C. M. Orr and Mrs. Nettie Griffin and known as "God's Acres," to plow ground and plant corn. Thereafter, at regular intervals, the corn is cultivated by members of the flock and finally cut, husked and sold by them. This year the church and the land owners will divide 9,000 bushels of corn which, at current prices, will pay church costs and then some.

Reflects local spirit

THERE is an old theory that the weekly newspaper of a small town usually reflects the community spirit pretty accurately. The Carlisle News does this well. It is an unusual newspaper edited by Edley W. Rogers and produced by his brother, Hal, and a woman typesetter.

When you know that Edley, who is a red-hot Republican and says

so in print, has successfully conducted his paper in a strong Democratic community for almost 40 years, you realize that his subscribers are tolerant and that he gets the news.

Rogers thinks and always has thought that Carlisle is the best town of its size in the world and has molded his editorial output accordingly. As a young fellow, he left Carlisle and the News to go to Kansas as half-owner of a merchandise establishment, but he was unhappy there. Even an offer by the late Victor Murdock of an attractive editorial post on the Wichita Eagle failed to interest him. He returned to Carlisle and the News never no more to leave, he says.

Plays up local news

ROGERS is convinced that a local paper should publish only local news. Therefore he has no "country correspondents" sending in items from other towns. There usually is enough current Carlisle action to fill the News' columns, and if not there always are some good old stories of interest to republish. For instance, in a recent issue Rogers filled the middle four columns of the front page with a story of a Carlisle tornado which happened 29 years previously. It was good reading, too, and made a hit locally.

When he has a good local story, he spreads it. The recent rodeo was the first horse show Rogers ever had seen. He got tremendously interested and splashed a head on the story across the entire front page in huge wood type.

The News is fat with local advertising every week, but advertisers cannot dictate editorial policies. Rogers insists that when people make news, the responsibility for publication is theirs and he will be dad-blamed if he will keep anything out of the paper that's fit to print. Erring advertisers, and good ones, learned this long ago.

In 1942, a will case involving a \$3,000,000 estate in Pennsylvania was decided on a two-line local item which appeared in the News. A woman sued the estate, claiming that she was the widow of the deceased property owner. A personal item in the News revealed that the man was in Carlisle the day the plaintiff alleged she married him in the East, many years previously. Assisted by his friend, James Walters, an amateur photographer, Rogers reproduced the item from



"I'm at my wits' end. He locates every place I hide them with radar"

Can you answer these questions about

DIABETES?



Q. Is Diabetes increasing



or decreasing?

A. If present trends continue, the number of diabetics in this country will increase by 18% from 1940 to 1950, largely because more people live to reach middle and old age. Fortunately, doctors today can help control the disease; in fact, nearly all diabetics aided by modern medical science can lead full, active lives. Since the discovery of insulin, the average length of life of diabetics has increased greatly.

Q. What new studies



hold great hope for the future?

A. Medical science knows more about diabetes than ever before, and constant research on new types and more effective combinations of insulin is being carried on. A chemical compound, alloxan, which can produce experimental diabetes in animals, has provided a new means for studying the disease. Further hope for progress lies in new discoveries about the utilization of sugar in the body.

Q. Does diabetes have warning



symptoms?

A. There are usually no symptoms in early diabetes. Before symptoms develop, the disease can be detected by the presence of sugar in the urine. That is why periodic health examinations, including urinalysis, are the most effective way of discovering the disease early, when it is easiest to control. Once the disease has developed, definite symptoms appear, such as constant hunger, excessive thirst, loss of weight, and continual fatigue.

How can medical science help the average diabetic?

Diet, insulin, and exercise are the major factors in controlling diabetes. Successful treatment depends upon the closest co-operation between doctor and patient in keeping these factors in proper balance.

The physician determines whether the patient needs insulin and how much, as well as the amount and kinds of food that best meet his needs. The patient acquires an intelligent understanding of

his disease, learns how to live with it, and conscientiously follows the doctor's instructions for keeping it always under control—thus guarding against complications that affect the arteries, heart, kidneys, and eyes.

Even with diabetes, it is usually possible to enjoy a nearly normal life. For more detailed information about the disease, send for Metropolitan's free booklet 126-P entitled, "Diabetes."

TO VETERANS—IF YOU HAVE NATIONAL SERVICE LIFE INSURANCE—KEEP IT!

COPYRIGHT 1946—METROPOLITAN LIFE INSURANCE COMPANY

Metropolitan Life Insurance Company

(A MUTUAL COMPANY)

Frederick H. Ecker, CHAIRMAN OF THE BOARD
Leroy A. Lincoln, PRESIDENT

1 MADISON AVE., NEW YORK 10, N. Y.



TO EMPLOYERS: Your employees will benefit from understanding these important facts about old age. Metropolitan will gladly send you enlarged copies of this advertisement—suitable for use on your bulletin boards.



Send for Index 346 Marchant Method-pamphlet, general accounting.

Invoices are checked easier and faster with controlled accuracy on a Marchant Calculator. As in all figure-work, Marchant's 20 Points of Superiority give today's highest calculator performance in checking the invoice and producing unit-landed cost, percentage surcharge, or retail accumulation as in department store work. The Marchant Man in your phone book will prove this statement.

EASIER AND FASTER CHECKING
**ACCOUNTS
PAYABLE
INVOICES**

the *News*' files and the evidence clinched the case for the defense.

Walters is another wanderer whom a yearning for Carlisle called home. For many years he was associated with the American Telephone and Telegraph Company in New York, devoting himself largely to perfecting transmission of photographs by wire. He also was a pioneer in color photography, having traveled widely in South and Central America taking pictures on color plates. He retired to Carlisle two years ago and now devotes himself to taking pictures and acting, he insists, as "assistant bartender" at the "smallest liquor store in the world" in downtown Carlisle.

Liquor in "dry" town

THE store is a package place and, of course, has no bartender, but being in the center of town it is a convenient address for Walters, who lives on a farm. The store is less than 16 feet square and pays ground rent of \$1 a month. Carlisle is officially dry, but there is an odd hiatus between state and local laws which makes a package store possible.

Tilghman Ogle, a dry, started the store years ago because he thought it well to supply the home trade with state approved liquor in the place of the "squirrel" brand that the boys were getting surreptitiously from behind sycamore stumps down along the nearby Wabash River.

Part of the day now, a white-haired, grandmotherly appearing woman sits in the store in a rocking chair alternately knitting and waiting on the trade.

When the store is closed, a window sign says, "Key at the station." This means that customers can go to Fred Ogle's adjoining gas station, get the key and wait on themselves.

Ogle's station is one of the best locations in town. He does a large business in tires, accessories, supplies and repairs.

"I started here on \$450 borrowed money after the depression when, in common with everybody, my family went broke in cattle," he said. "It didn't take much nerve to start on less than nothing because the whole town was busted then."

Even in the depths of the depression, when some western Indiana towns had literally hundreds of persons on WPA rolls, Carlisle had only a few. They consisted chiefly of miners who had worked in nearby coal fields and resided in Car-

lisle. Closed mines put the men on relief briefly.

"We never had any professional relievers here," C. V. Sproatt, a member of the town board who has been active in relief matters for years, told me. "I cannot recall a single case which could not have been called worthy and of an emergency nature."

Only a few returning Carlisle veterans have joined the "52-20" clubs. Most of the boys went back to their old jobs, many on farms, and a few, unable to find work locally, left for larger cities. Banker Jones said he knew of only one lad who re-enlisted and that was occasioned by a situation involving the loss of his parents. Incidentally, Sproatt and others insisted that the Government is partly to blame for the many "52-20" club memberships. They said discharged soldiers were urged strongly in government literature to collect the \$20 weekly benefits and that many ex-service men went on the benefit rolls only after being subjected to official pressure.

Men find unusual jobs

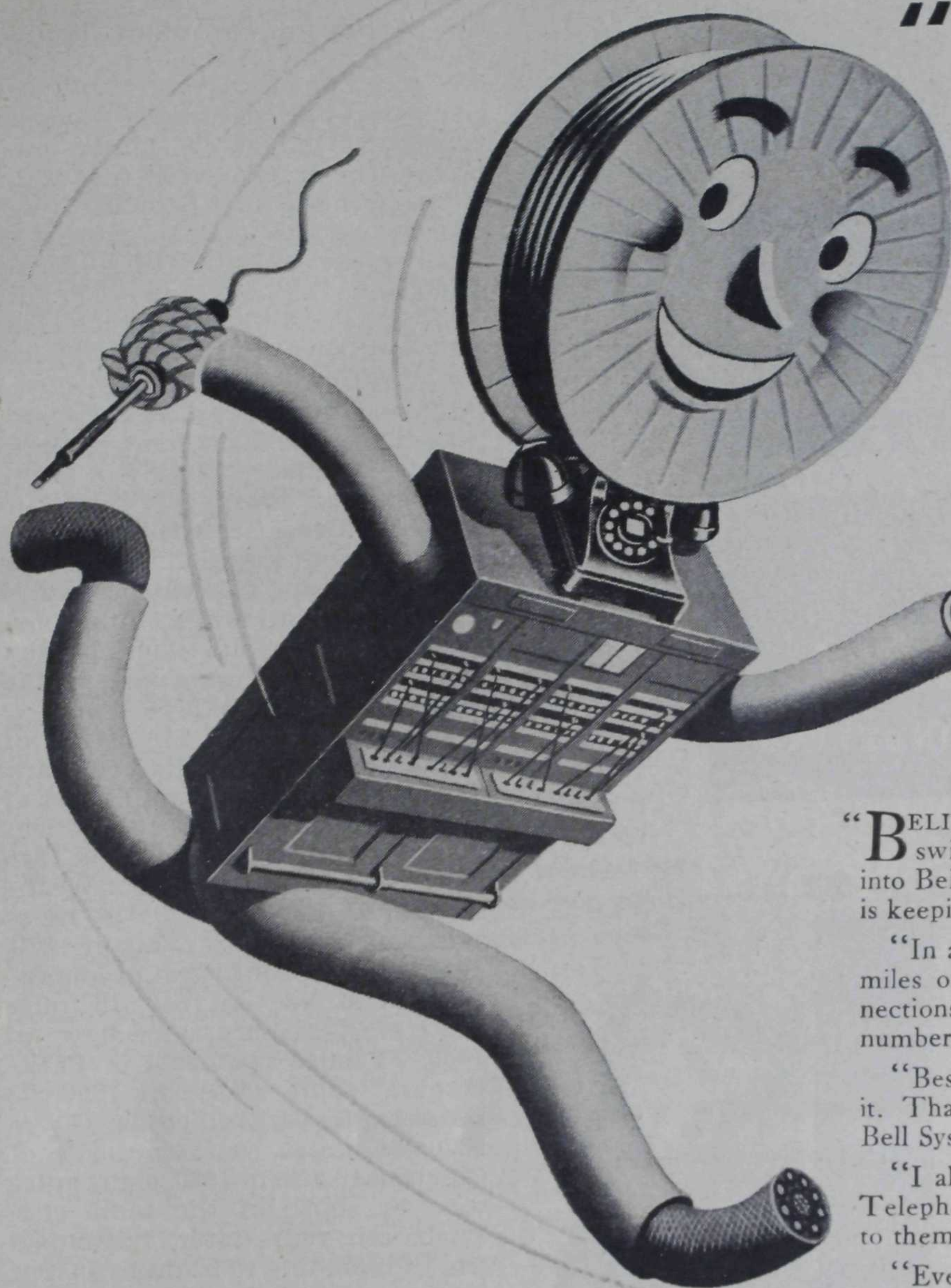
NATURALLY, jobs are not too plentiful in such a small place and some of them seem odd. Turtle hunting is one. Right now, when the river water is cold and fried turtle flesh is delicious, earnings of the hunters are good.

The game is simple. You walk along a river bank and, seeing bubbles rising at the water's edge, poke down at the source of the bubbles with a stick. If the stick strikes something hard it is likely to be a turtle's shell. Quickly dig into the muck with both hands and you probably will locate a turtle. If you've found one, you simply grasp him firmly by the two sides of his shell and pull him out. The varmint and the surrounding mud will give you some resistance, and the edge of the shell probably will cut your hands, but your catch will pay well. The meat brings around 50 cents a pound on the Terre Haute market.

Such seasonal jobs as turtling do not attract the average returning service man, Banker Jones has noticed. He says nearly all of the Carlisle boys who have come back are anxious to get steady work. The older fellows usually have returned with the fixed purpose of getting regularly located immediately, marrying as soon as possible and starting to buy homes. Strangely, he says, the younger boys who are not so anxious to marry saved more while in the service than did the



**"Wow! This job
sure keeps me
hopping!"**



*Provide more
than 2,000,000
telephone lines
in 4500
central offices.*

BELIEVE me, fitting all the new dial and manual switchboard equipment and long distance facilities into Bell System central offices all around the country is keeping me mighty busy!

"In a single big dial exchange there may be 4,000 miles of wire. I may have to solder 2,500,000 connections before everything's ready for you to dial a number.

"Besides *installing* this complex apparatus, I build it. That's part of my job as *manufacturer* for the Bell System.

"I also *purchase* all manner of things for the Bell Telephone Companies... and *distribute* these supplies to them along with the equipment I make.

"Ever since 1882, I've been helping to make our nation's telephone service the best in the world. Today...with the Bell System's construction program of more than \$2,000,000,000 in full swing... I'm busier than ever.

"Remember my name... it's Western Electric."

MANUFACTURER... PURCHASER... DISTRIBUTOR... INSTALLER...

of 43,000 varieties
of telephone
apparatus.

of supplies of all
kinds for telephone
companies.

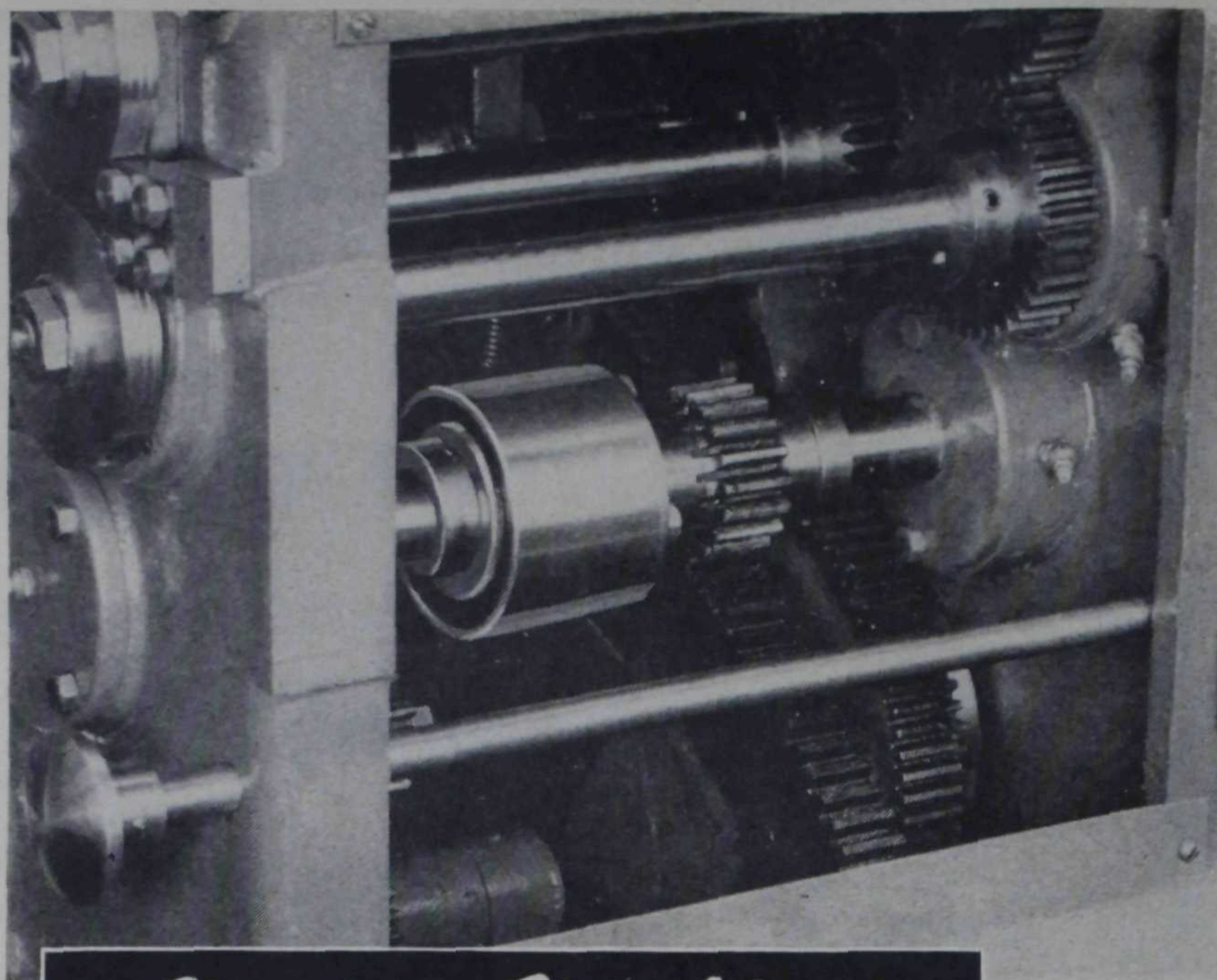
of telephone
apparatus and
supplies.

of telephone
central office
equipment.



Western Electric

A UNIT OF THE BELL  SYSTEM SINCE 1882

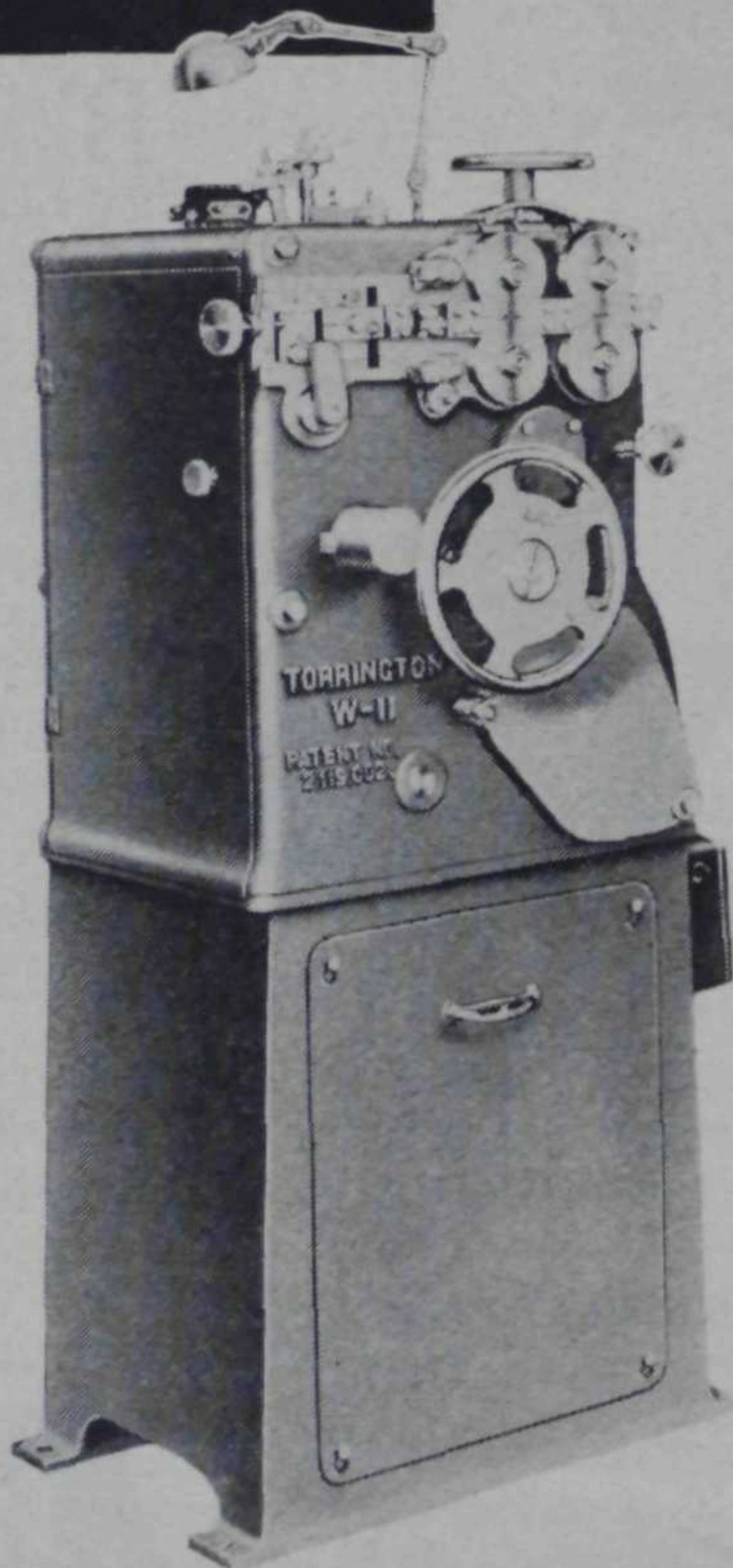


Modern Machines Deserve Morse Clutches

FREE WHEELING AND INDEXING

Torrington Spring Coilers work to tolerances of thousandths of an inch. Precision is imperative! Equipped with the Morse Indexing Clutch, Torrington achieves positive and consistent accuracy.

MORSE CHAIN COMPANY
Ithaca, N. Y. • Detroit 8, Mich.



marrying type. Once out of the service, these younger lads have been slower to return to work, usually spending their savings before looking for jobs.

But, on the whole, Jones says he has found ex-service men seriously interested in attaching themselves to good payrolls within reasonable time limits following their discharges.

A housing problem, too

IN common with the rest of the country, Carlisle has a housing problem, though a minor one. While there have been few additions to the regular populace, temporary residents have moved in from as far away as Terre Haute and Vincennes where they are employed. Small houses which sold before the war for less than \$2,000 now bring around \$5,000.

Farm land values have increased, too, but little farm land changes hands. It remains largely in families, passing down from father to children. Crops are good, especially corn and sorghum. Time was when sorghum was widely used in Carlisle for all sweetening purposes and some old-timers predict its return to general use if the sugar supply doesn't pick up.

Indiana has held the center of population for more than 50 years. It first was located 23 miles east of Baltimore in 1790. By 1800 it was 18 miles west of Baltimore; in 1810 it was 43 miles northwest of Washington, D. C.; in 1820, 16 miles north of Woodstock, Va.; in 1830, 19 miles west-southwest of Moorefield, West Va.; in 1840, 16 miles south of Clarksburg, same state; in 1850, 23 miles southeast of Parkersburg, same state; in 1860, 20 miles south of Chillicothe, O.; in 1870, 48 miles east by north of Cincinnati, and in 1880, eight miles west by south of the same city. Then, ten years later, it jumped the Indiana line to 20 miles east of Columbus, Ind., and it has been moving around lower Indiana ever since.

As the population center movement has always been in one direction and Carlisle is near the Illinois line, many experts think the center may cross into the Prairie State in another ten years. Maybe so, but wherever the official center is located, Carlisle always will be the center of the universe for just about everybody who lives there now.

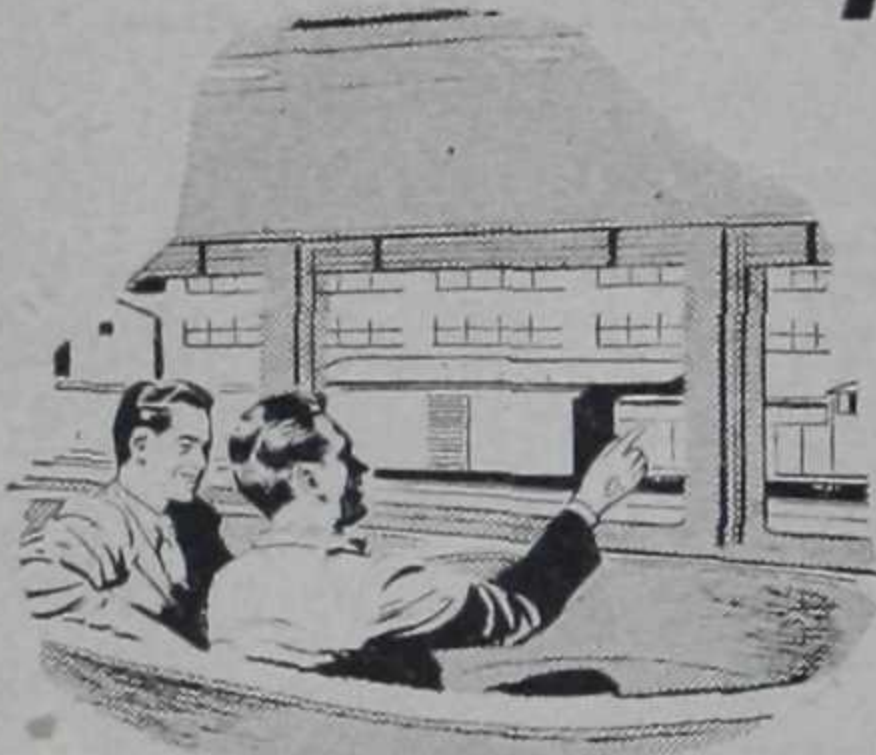
In case I have not made it clear, let me say that the residents sort of like their town.



MORSE *ROLLER and SILENT CHAINS and COUPLINGS*



when your plant's in a "CENTRAL" Location!



Locating your factory or warehouse on New York Central helps you *go places* in a double sense. For you are centrally located within comfortable overnight reach of America's largest markets, ports and financial centers. And you have the swift, all-weather passenger service of this Railroad's Great Steel Fleet...now adding enough new luxury equipment to make 52 streamlined trains.

In production, too, such a location helps you *go places*. Your plant enjoys the competitive advantage of being central to 62% of the skilled factory labor, abundant sources of low-cost power and pure industrial water. And you are within efficient, economical reach of some 75% of America's bituminous coal and steel produc-

tion...plus the world's most varied supplies of raw and semi-processed materials.

Ask about plant sites in this key area

New York Central Industrial Representatives, listed below, have on file information about a wide variety of strategic sites available along this Railroad's 11,000-mile rail network. They are prepared to undertake surveys to search out special advantages you may need. Let them help you find the "central" location that will make it easier for you and your company to *go places* in the years ahead.

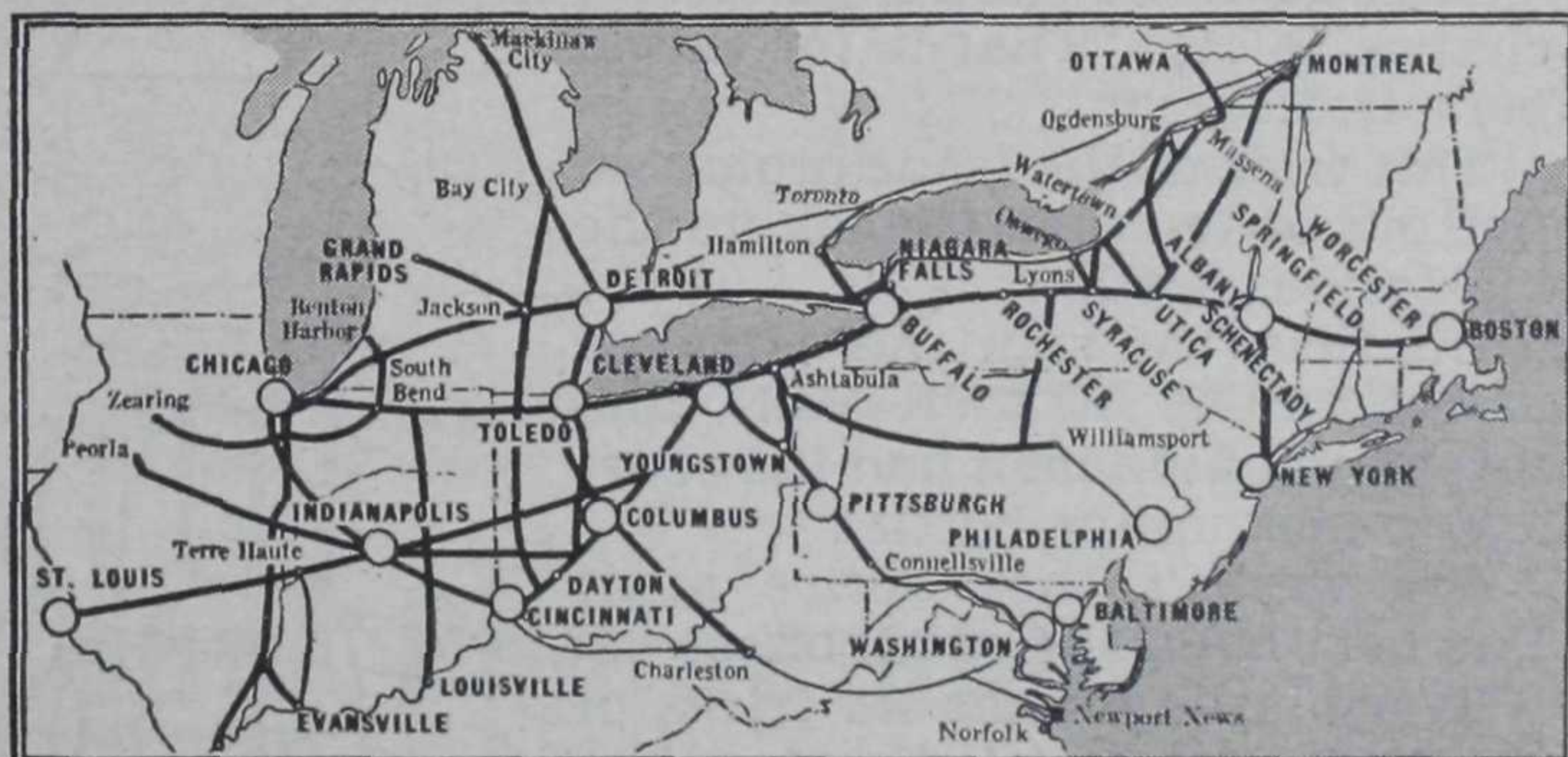
Industrial Representatives:

BOSTON	South Station	A. E. CROCKER
CHICAGO	LaSalle St. Station	H. W. COFFMAN
CINCINNATI	230 East Ninth St.	G. T. SULLIVAN
CLEVELAND	Union Terminal	A. J. CROOKSHANK
DETROIT	Central Terminal	A. B. JOHNSON
PITTSBURGH	P. & L. E. Terminal	P. J. SCHWEIBINZ
NEW YORK	466 Lexington Ave.	W. R. DALLOW

In other cities, contact our nearest Freight Agent.



NEW YORK CENTRAL



Tricks That Ring Cash Registers

(Continued from page 46)

clothespins! Think of the wood choppers who got extra work; the New England mill hands, the truck drivers, box manufacturers and salespeople—all because of a trick of the trade at the point where salesman meets customer!

The May Stores wanted to sell more white shirts for men to their wives who buy about 85 per cent of everything a man wears.

Normal sales resulted when the salespeople pointed out the extra large arm holes, the non-wilt collars, and long shirt tails.

A boon to women

ONE day a salesperson tugged on a button and said, "They are anchored on and won't pop off!"

Wilbur May reported a sell-out the first day, the psychology being that women thought "At last, no buttons to sew on at breakfast time!"

Today a large shirt manufacturer uses this sizzle as his big sell argument. Ah, me, you see you can't copyright tricks of the trade!

The People's Drug Stores of Washington wanted to sell some underarm deodorant to the men. This was way back before men were conscious of this product.

After men purchased cigars, the clerk would say, "How about some deodorant to go with the cigars?"

Many men would respond with, "Oh, thanks, but my wife uses Flit!" They didn't know what a deodorant was. When they were told, they were insulted.

Then a bar of Lifebuoy Soap was put on the cigar counters, and next to it a famous deodorant, with a simple sign that said: "FOR MEN ONLY."

Men didn't know what the bottle was, but they knew what the soap was, and what it stood for. So they would sidle up to the bottle and ask what it was.

That gave the clerk a wonderful chance to say, "That is for excess perspiration, sir."

This trick of the trade prompted five out of ten men to pick up the mysterious bottle.

One day the sign was changed to read FOR ACTIVE MEN, and seven out of ten men had the courage to pick up the bottle!

For weren't they *active* men! You bet! Even the small ones!

Every business has its tricks of the trade, those little things sales-

people do to make two sales grow where only one grew before.

Soon I will have my first radio, first refrigerator, first car postwar, and then I will stop my buying jag.

Then will come a new era of tricks of the trade.

Take the small firm that had difficulty in identifying its location until it used ads saying:

ACROSS THE STREET FROM
MARSHALL FIELD'S

The subways that changed the weighing machines to read INSERT COIN instead of the usual Insert Penny. They now get a few nickels and dimes.

The boy at the ball park with the vending tray, who couldn't get through the crowd shouting, "Step aside, please!"

Suddenly he shouted, "Watch out for the mustard!" and people quickly pushed aside to let him by with his tray of—peanuts!

The salesman who says, "Just put your okay here, lady," or, "Just spell your name out for our book-keeping department." You see it is bad psychology to say, "Sign here."

Hubby has always warned wife, "Never sign anything!"

The airline ticket office that answers the phone today with, "Just a minute, please," then keeps you waiting 20 minutes, yet it does seem less than another ticket office where they won't answer the phone for 20 minutes.

The bus company that changed from "Emergency Exit" to "Auxiliary Exit." People did not like to sit near an "Emergency Exit," and the thought wasn't conducive to a pleasant trip.

The hotels that put in dummy elevator buttons on each floor. You can get as nervous as you want and keep on pushing the button. It only rings *once* in the elevator!

Tricks of the trade! You find them everywhere!

There is the Roxy usher who points to the balcony and says, "This way to *best* seats!" He avoids the word "balcony."

The shoe clerk who removes your shoe quickly, and places it ten paces away so you can't suddenly leave the store while he is in back, looking for your size.

The cafeteria that puts desserts first in the line, before you have loaded up your tray with meat and potatoes. Desserts are long-profit items.

The ready-to-wear saleslady who hangs madam's own dress on a hook—but outside the fitting room, so madam can't get a quick notion to leave.

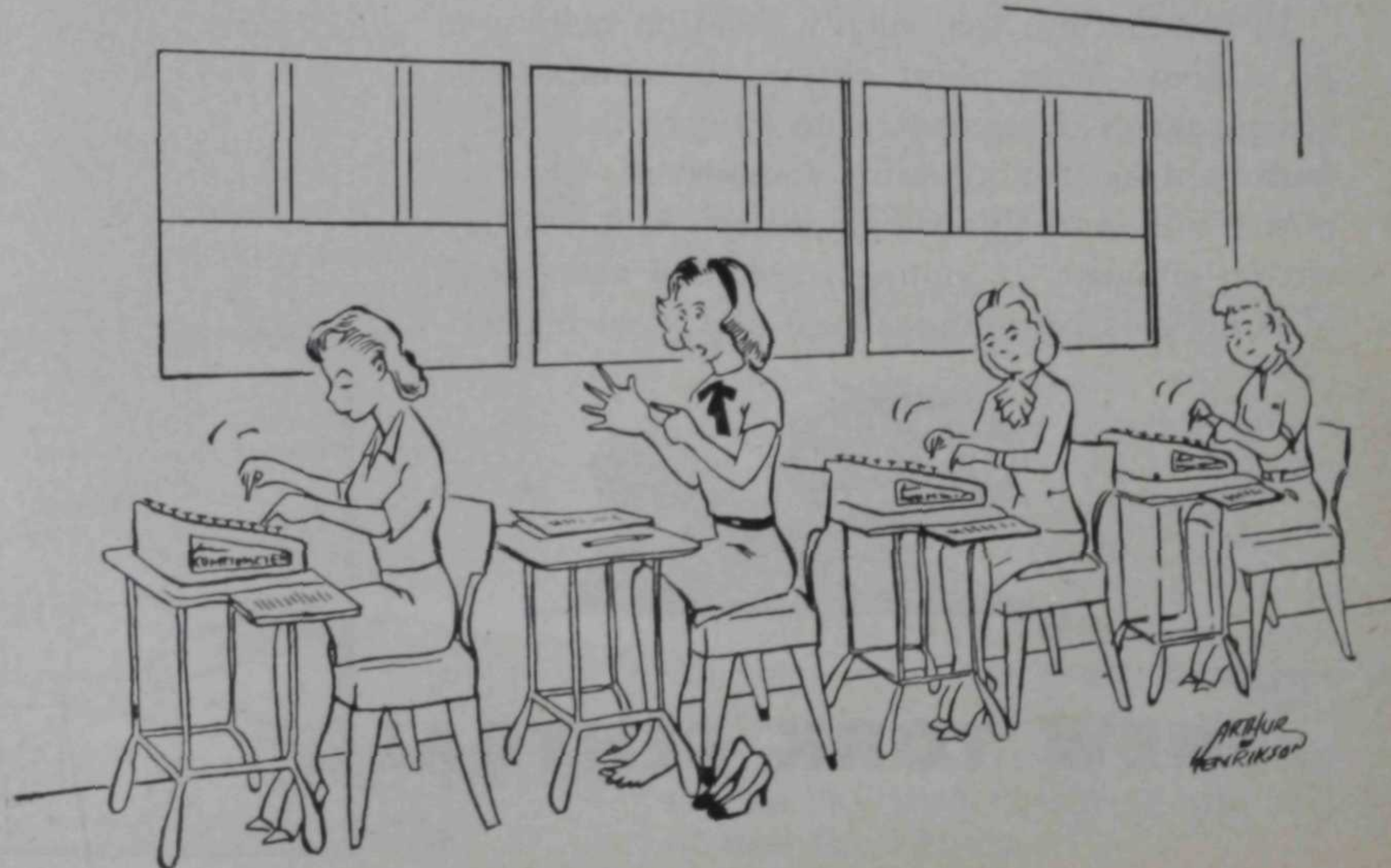
More time for selling

THE door-to-door brush salesman who lines his brushes clear across your living room, so you aren't inclined to shoo him off in a hurry.

Besides, as he returns them *slowly* to his kit, he gives you a selling story on each brush. His trick of the trade to get in is well known: The free brush through the door. You can't kick a man off the porch when he gives you a free brush!

The butcher who hands you a piece of cheese; and the peanut store with the pretty girl out in front who gives you a peanut! You just can't wait until you buy a hunk of cheese or a bag of peanuts!

The hotel room clerk who goes up and down the key board several



Kodak



Photomicrograph of a snowflake

Because photography magnifies . . .

Before this young girl could examine this snowflake, photography had to do a twofold job. It had to record the snowflake...quickly, exactly...before it melted. It had to enlarge this image 360 times . . . so that every detail would stand out clearly and sharply.

A unique ability . . . this. And because of it, business and industry have come to depend more and more upon photography to make the transient lasting . . . the invisible visible. They depend upon . . .

Document copying . . . to make big, accurate "blow-ups" of records, drawings, layouts.

Recordak . . . to enlarge microfilm images back to original size.

Photomicrography . . . to enlarge specimens—such as oils, fibers, metals—up to 5000 diameters.

Electron micrography . . . to magnify particles 200,000 times—far beyond the limits of visible light.

Microradiography . . . to probe the third dimension by magnifying microstructures in depth.

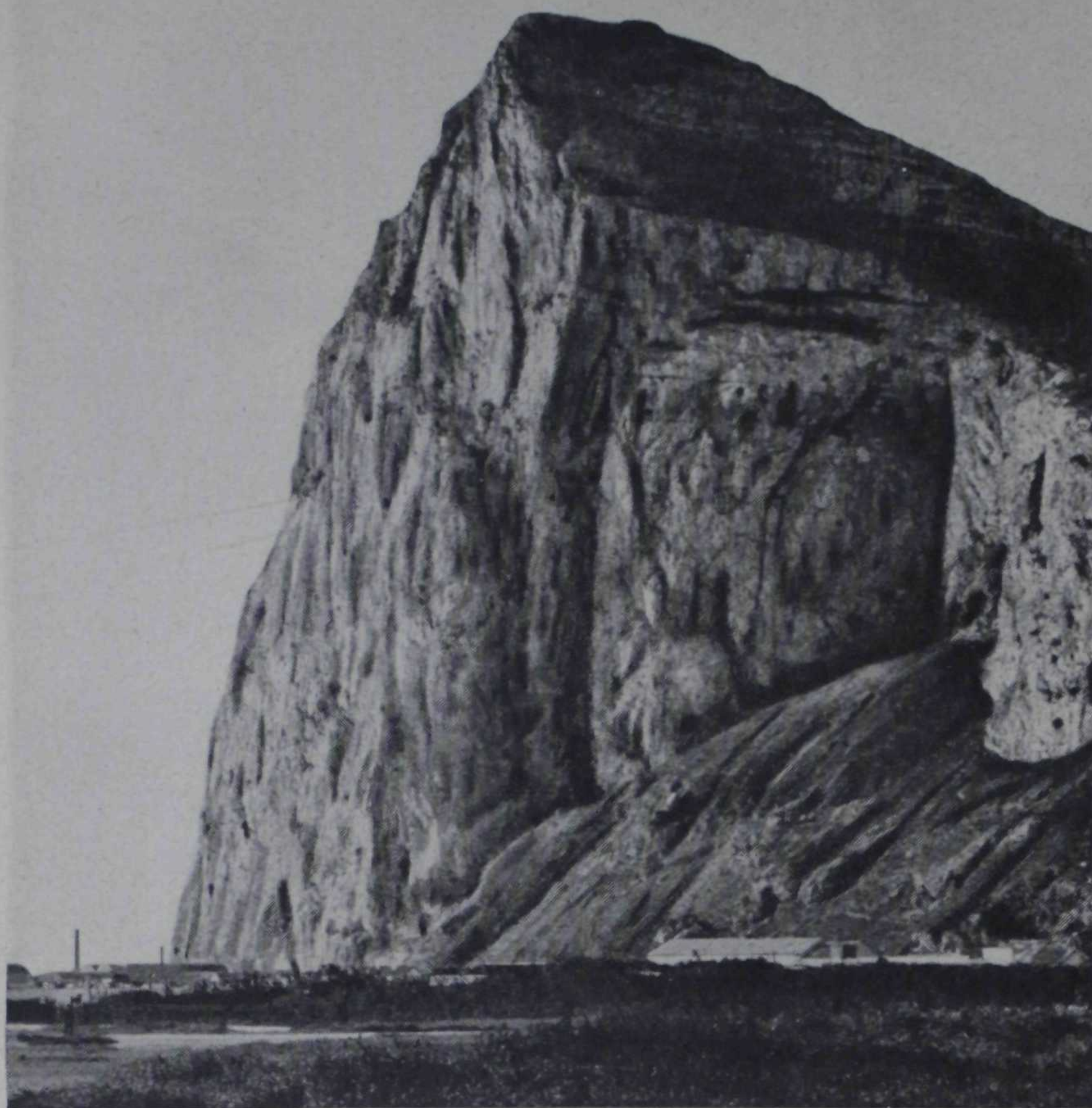
Ultra-speed photography . . . to study action too fast for the eye to follow, by "time magnification."

For an introduction to applications that bring you the benefits of this unique ability, write for free booklet—"Functional Photography."

EASTMAN KODAK COMPANY
Rochester 4, N. Y.

Functional Photography

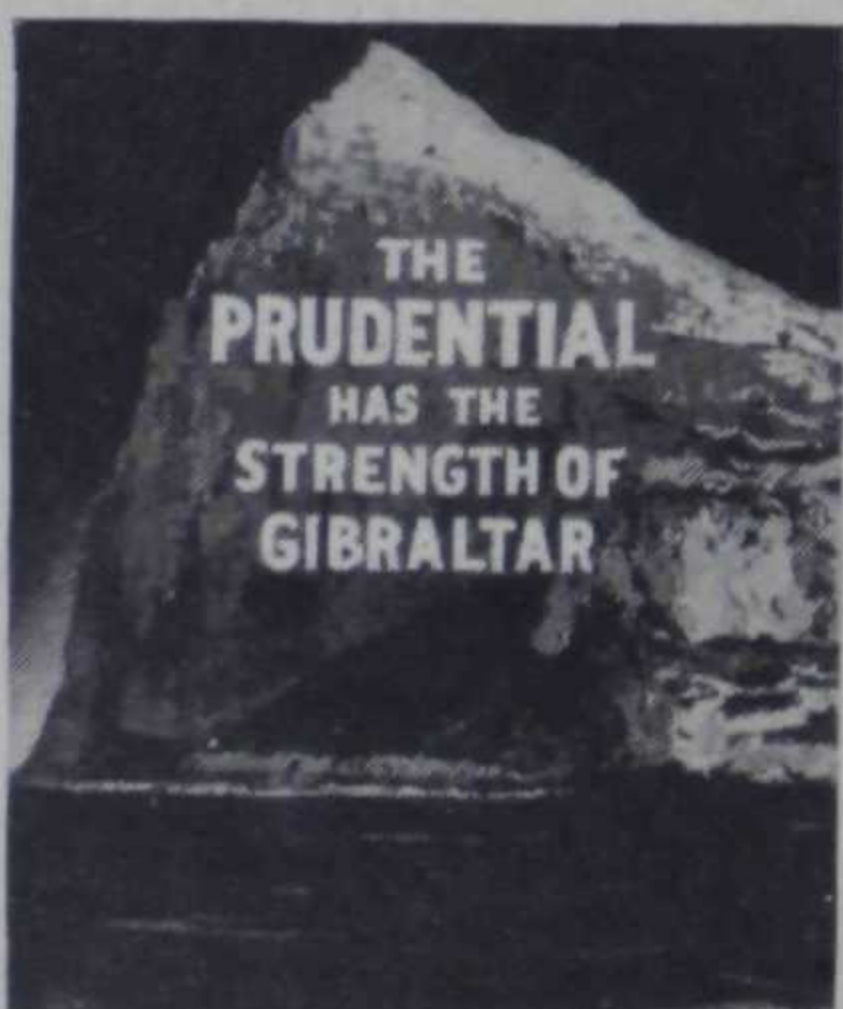
. . . is advancing business and industrial technics



Symbol of Security

• Even in the time of the ancient Greeks, the Rock of Gibraltar was associated in men's minds with strength, security and impregnable protection. So it was a natural thing that this great rock should come to symbolize, centuries later, the company founded in strength and security and dedicated to providing financial protection for family life.

The Prudential conducts its business in such a way as to provide life insurance at the lowest possible cost consistent with safety and security. Prudential policies have continually been modernized, to fit changing needs and circumstances. Over 23 million persons own Prudential life insurance, providing over 25 billion dollars in financial protection. And more than 22,000 Prudential representatives devote their special knowledge and experience to helping people with their life insurance planning.



Yes, The Prudential has the strength of Gibraltar, and exists primarily to provide financial protection which is safe and sure. The Prudential Insurance Company of America, Newark, New Jersey.

times, then disappears for a minute to return with a room the manager was holding for the mayor, but you get it.

The grocery store that grinds its coffee up front, where its fresh, delicious aroma floats throughout the entire store, but mainly around the cash register where quick sales can be made.

Tricks of the trade.

The subway change-maker who shoves your change in two motions; the first fast motion shoves out almost all the change; the second slower motion is for that last dime or quarter.

But often you are off on the first shove! *Trickery!*

You will find trickery and tricks side by side; you must learn to know the difference.

Find trickery and you are through; but find tricks of the trade and you are in for business success.

They are all around us, for example those shops that sell linens, handkerchiefs and layettes.

Even on Fifth Avenue they are barren-looking, with their perennial, "Going Out of Business," or "Forced to Sell," or the classic, "Last Day" in the front window.

I noticed their price tags. All on cheap cardboard, even paper bags, and right on Fifth Avenue no less. Where was the trick of the trade?

I stepped into one of the stores. I asked the pleasant Arabian salesman. His answer was as simple as was mine when I lost my fancy sign in the three weatherproof colors, with the white pullet.

He said humbly, "People read these cardboard signs and think we are dumb foreigners. They come in to take advantage of us. Fancy signs would scare them away!"

Oh, hum, nothing has changed since Penfield!

New Butter Churn

HERE'S how to get butter in a hurry—but it's not for the average home. Arthur W. Farrall, Michigan State College faculty member, has assigned patent rights to the Creamery Package Manufacturing Company in Chicago on a machine which changes pasteurized cream into butter in less than 10 minutes.

The cream enters a pipe at one end of the machine, comes out the other end as butter ready for packaging. The Chicago firm claims reduced operating costs, savings in time and labor, greater sanitation, and production of uniform composition and texture as desired.



WHEREVER YOU GO —
YOU SEE
BURROUGHS MACHINES

THE DETROIT BANK, Detroit, Michigan, has long been a large and important user of Burroughs machines. Illustrated is a small section of the Detroit Bank's mechanized bookkeeping department.

^{1st}
Burroughs

IN MACHINES
IN COUNSEL
IN SERVICE

Working in close cooperation with executives in all lines of business, Burroughs technical representatives are constantly alert to new trends in office routines and procedures . . . are quick to sense new or changing needs for figuring and accounting equipment. As a result, Burroughs has consistently been first in meeting such needs with machines of advanced design, construction and operation.

Today, more than ever before, Burroughs scientists and engineers are applying intensive research to the customer requirements of tomorrow—exploring the fields of precision manufacturing, new materials and new methods . . . expanding the horizon of business machine design, styling and application . . . combining broad vision and creative thinking with seasoned judgment and experience, to keep Burroughs first in machines . . . counsel . . . service.

BURROUGHS ADDING MACHINE COMPANY • DETROIT 32

FIGURING, ACCOUNTING, STATISTICAL AND CASH REGISTERING MACHINES • NATIONWIDE MAINTENANCE SERVICE • MACHINE SUPPLIES

They Find Business Sky High

(Continued from page 54)

individualists, the more they were left alone the better they would perform. A system was evolved whereby the delivery of each plane is handled as a separate business transaction, with each pilot serving as an independent contractor.

The arrangement not only has led to the obtaining of good men but, by making them independent contractors, the service has eliminated such payroll features as social security and unemployment compensation taxes, simplifying the firm's bookkeeping and cutting costs.

The pilot is given a lump sum, based on mileage involved, and it is up to him to deliver the plane as quickly and as economically as possible. The American Fly Away Service pays for the insurance on each plane.

The pilot has to pay for the oil and gas required on a trip and any tie-down or hangar fee that may be encountered.

For instance, Pilot Ralph Albertazzi flew an Ercoupe from Washington, D. C., to Dayton, Ohio. He received \$43.72 for the round-trip distance between the two points. Albertazzi paid \$2.50 for gas at Morgantown, W. Va., while enroute to Dayton and \$3.75 to top off his tanks upon arrival. It generally figures that it costs a pilot 1½ cents a mile to deliver a plane.

The profit varies

THAT left Albertazzi with a gross of \$37.47, for a five-hour ride, but he couldn't quite call that all profit. Some of it would have to be used to get back to Washington for his next job. If he went by train, the trip would cost him \$14.17—leaving him \$23.30. If he went by bus, his transportation would be \$10.06 and his profit \$27.41. By commercial plane the transportation cost would be \$21.26, and \$16.21 would be the amount left.

The pilot is not necessarily paid on a round-trip basis, but is paid for the mileage to the point of delivery and from there to the next plane pick-up point. It is up to the pilot to get from the point of delivery to his next assignment.

Most pilots have found that the quickest mode of transportation pays off best in the long run; that the more assignments one handles the more money one makes, even if it involves some expensive travel between planes. Sometimes a pilot

may spend as much as two weeks hopping between towns with one plane and another before he finally returns to his home base.

Pilots average from \$250 to \$400 a month after discounting transportation and incidental expenses along the way. How much a pilot makes depends on how hard he works. So far American Fly Away Service has given him just about as many planes as he can handle. Some pilots are on the job all the time, including week-ends, catching their naps when they're on buses or trains "deadheading" or when they're grounded by weather.

Incidentally, it is up to the pilot to make the take-off decision if there's any doubt about the weather or flying conditions. If he misjudges, it may mean a crack-up in some out-of-the-way place with the resultant loss of time, or perhaps broken bones, an equally unpleasant state of affairs.

But the policy of Wilder and Waggener in seeking the better-grade pilot—each being required to have at least 1,000 hours in the air, and some have more than 7,000—is attested by the fact that although being in the business little more than a year, the service has ferried planes more than 1,-

000,000 miles. There have been only two major crashes. Only in one instance was anyone injured.

The service charges about 16½ cents a mile for its ferrying work, but the price changes with the ferrying-back situation. If the "deadheading" of pilots on the way back can be kept down, the dealer's price also decreases.

Fly Away is doing well

HOW do American Fly Away Service's ledgers come out of all this?

On the Dayton trip for which Pilot Albertazzi received \$43.72, the service collected \$60.50 from the Dayton dealer to whom the plane was delivered. Minus the pilot's fee, that gave the service \$16.78, which helped make up a gross of from \$35,000 to \$40,000 monthly.

But, of course, all that's left after the pilot's pay is taken out is not profit.

Whether the sky is clear or closed in—whether the planes are moving or not—the organization's fixed costs go on.

"We have about every cost that anyone else in business has except that of maintaining equipment," said one of the founders, "and to a degree we even have that because we've been meeting the cost of fixing malfunctioning aircraft in transit."

Largest of the fixed costs is the



Pilots Roach and Dick Broxton talk shop before flying two new planes from the factory in Maryland to the purchasers

*Put it there,
Industry!*

For the Best in Railway and Highway Transportation...
"DO IT ALONG THESE LINES"

BEST IN RAIL . . . 3400 freight trains and 1300 passenger trains a day—plus the shortest East-West rail route!

BEST IN HIGHWAY . . . practically the whole 11,000 miles of our right-of-way paralleled by main highways—linked to a great network of fine secondary roads.

BEST COORDINATION OF DISTRIBUTION . . . "Trains for the long haul—trucks for the short haul."

Supplemented by—the biggest concentrated market . . . abundant power, natural resources and raw materials . . . plenty of labor . . . direct-to-dock service to principal ports, both Atlantic and Great Lakes—everything that counts!

**PENNSYLVANIA
RAILROAD**



Serving the Nation



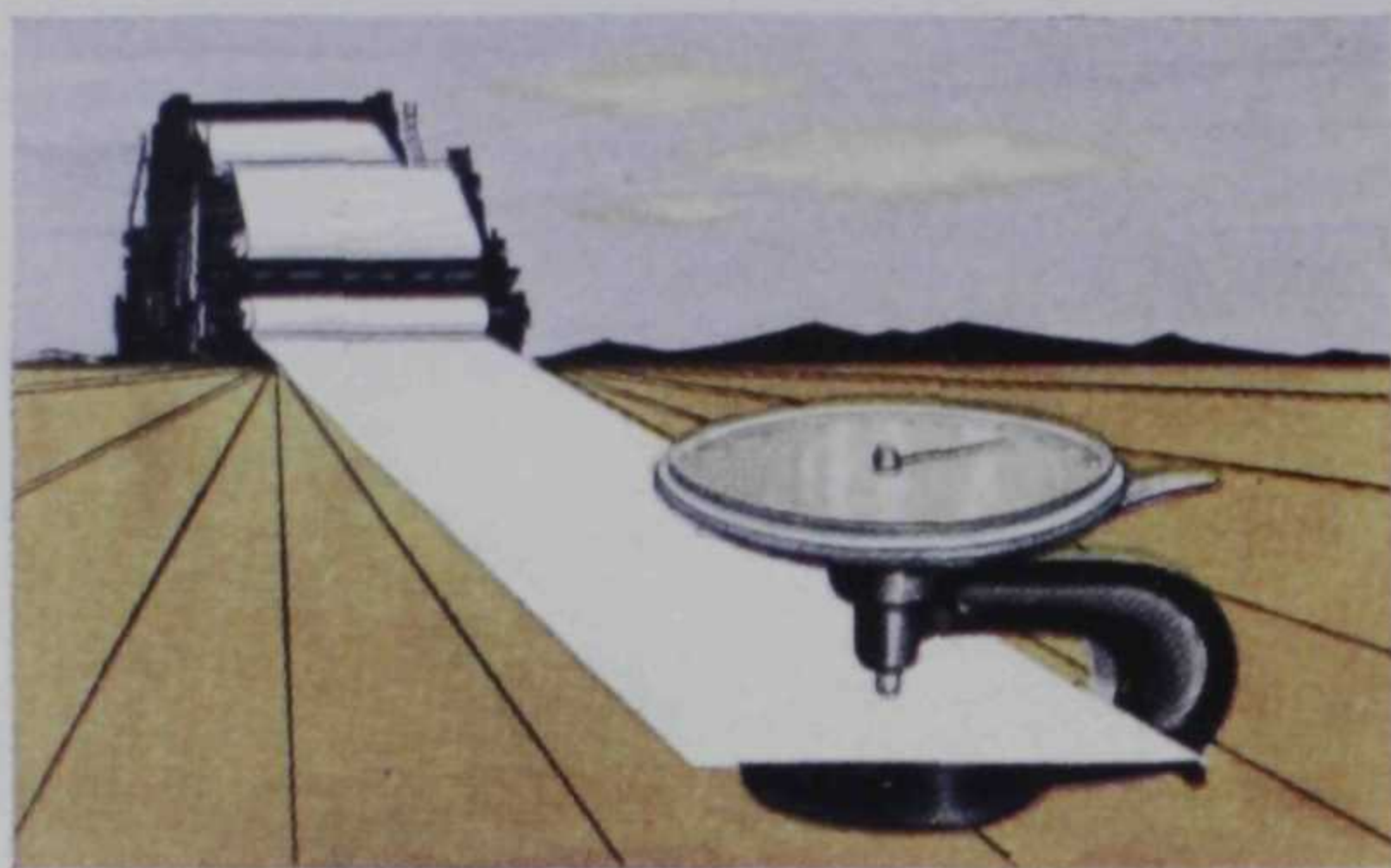
For data on available buildings and sites consult the following Pennsylvania Railroad Industrial Agents:

CHICAGO	INDIANAPOLIS	PITTSBURGH	PHILADELPHIA	NEW YORK
Union Station	108 E. Washington Bldg.	Penna. Sta.	Penna. Sta.—30th St.	Penna. Sta.
C. D. WILKINS	A. J. VONK	J. V. DAVIS	B. K. WIMER	D. B. LENNY
H. C. MILLMAN, Broad St. Station Bldg., PHILADELPHIA				



Test your word knowledge

of Paper and Printing



1. Caliper

- ☐ Machine for finishing paper
- ☐ Paper stock in the beater
- ☐ Thickness of a sheet of paper



2. Advertising Mascot

- ☐ A copy cub
- ☐ A trademark
- ☐ An advertising slogan



3. Feel

- ☐ A method of hand tooling
- ☐ Way of detecting irregularities in plates
- ☐ Paper quality as determined by touch



4. Typothetae

- ☐ A species of coniferous pulpwood
- ☐ Ecclesiastical manuscripts
- ☐ Printers

ANSWERS

1. Caliper is the thickness of a sheet of paper as measured under prescribed conditions. By careful control in manufacture, and by rigid laboratory testing, Kimberly-Clark maintains a close uniformity of caliper for Levelcoat*—a factor which contributes greatly to printability.

2. Advertising Mascot is a trademark which identifies a product for the buyer's protection. Such a trademark is *Levelcoat*—identifying a line of dependable printing papers.

3. Feel is the quality of paper as determined by touch. For printing paper with the feel of richness and high quality, many fine printers and important advertisers prefer smooth, lustrous Levelcoat Papers.

4. Typothetae are printers. And to all printers, advertisers, paper men—to everyone whose work touches the business of printed selling—Kimberly-Clark Corporation wishes a very Merry Christmas and a most prosperous New Year.

Levelcoat*

PRINTING PAPERS

If our distributors cannot supply your immediate needs, we solicit your patience. There will be ample Levelcoat Printing Papers for your requirements when our plans for increased production can be realized.



KIMBERLY-CLARK CORPORATION

NEENAH, WISCONSIN

*TRADEMARK

payroll of the non-ferrying personnel. Three salesmen are intent on gathering contracts for more ferrying. Then there are the bookkeepers, clerks and secretarial help in the main office and four branches.

The total is 16 persons.

Next largest cost is insurance, at \$25,000 a year. Communications charges are about \$500 a month, and rentals add to the cost of doing business.

The service was incorporated not long ago with Wilder, president and general manager, and Waggener, secretary and treasurer. There are four vice presidents who serve as dispatchers and sales managers, and who run the regional offices, located at Wichita (where the Cessna and Culver planes are manufactured), Washington (where the Ercoupe is built), Dayton (home of the Aeroncas) and Fort Worth (home of the Luscombe and Swift).

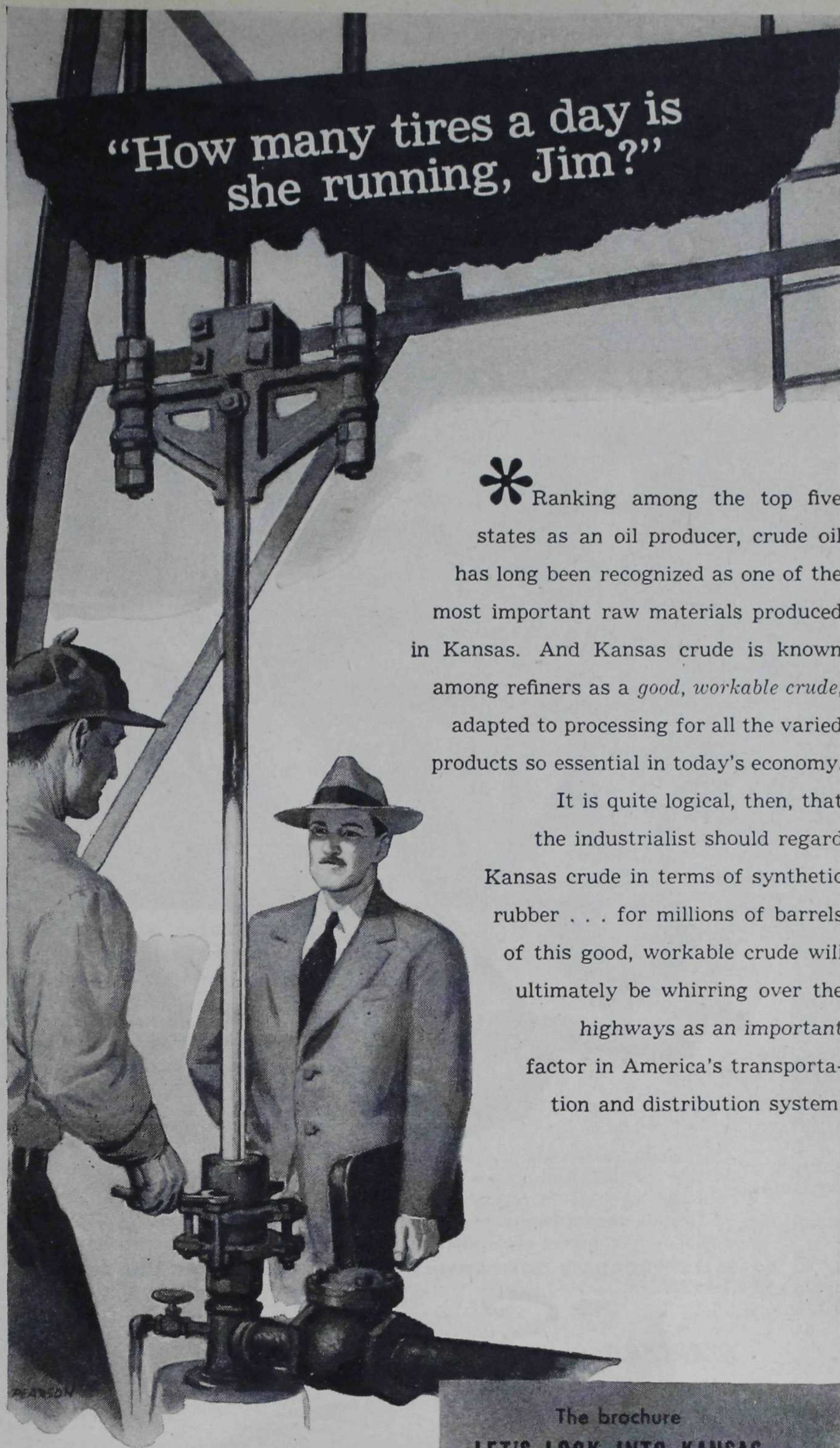
The four vice presidents are James R. Richter at Wichita, Howard M. Cleveland at Washington, A. E. (Doc) Morris at Fort Worth, and James Getter at Dayton. All of these men have been with the service since its inception last January. Morris and Richter were bomber instructors with the Army Air Forces during the war, while Getter and Cleveland were fighter plane pilots with the 13th Air Force in the southwest Pacific. For a time after his discharge, Cleveland was a pilot with Capital Airlines.

Many war fliers used

THIRTY-FIVE pilots are engaged by the company. The majority of them also are former war fliers, many having been decorated for combat service in both the European and Pacific Theaters.

Besides the problem of determining pilot pay, other matters had to be ironed out, such as deciding where to establish headquarters, and customer charges. Dayton was selected as a headquarters because it was approximately the center of the personal plane manufacturing industry, and because it had a good aeronautical weather bureau set-up.

The age-old business problem of working out a charge to the dealer customer required more thought. A rate that would encourage the use of the service was necessary. It had to be somewhat expensive if it was to be good, and at the same time give the service a measure of profit, after taking into consideration such factors as "hidden



Ranking among the top five states as an oil producer, crude oil has long been recognized as one of the most important raw materials produced in Kansas. And Kansas crude is known among refiners as a *good, workable crude*, adapted to processing for all the varied products so essential in today's economy.

It is quite logical, then, that the industrialist should regard Kansas crude in terms of synthetic rubber . . . for millions of barrels of this good, workable crude will ultimately be whirring over the highways as an important factor in America's transportation and distribution system.

Production from Kansas' wells is currently at the rate of some 100,000,000 barrels annually. Underground reserves indicate many years of increased production . . . valuable information for any manufacturer producing from hydrocarbon basic materials.

The brochure
LET'S LOOK INTO KANSAS

summarizes many interesting facts.

Ask for it on your letterhead



KANSAS INDUSTRIAL DEVELOPMENT COMMISSION

WILLIAM E. LONG, Secretary-Director

804-A Harrison Street

Topeka, Kansas

KANSAS *** REALLY**

MEETS INDUSTRY HALFWAY

"Swingline

*first in
split-second
loading!"*

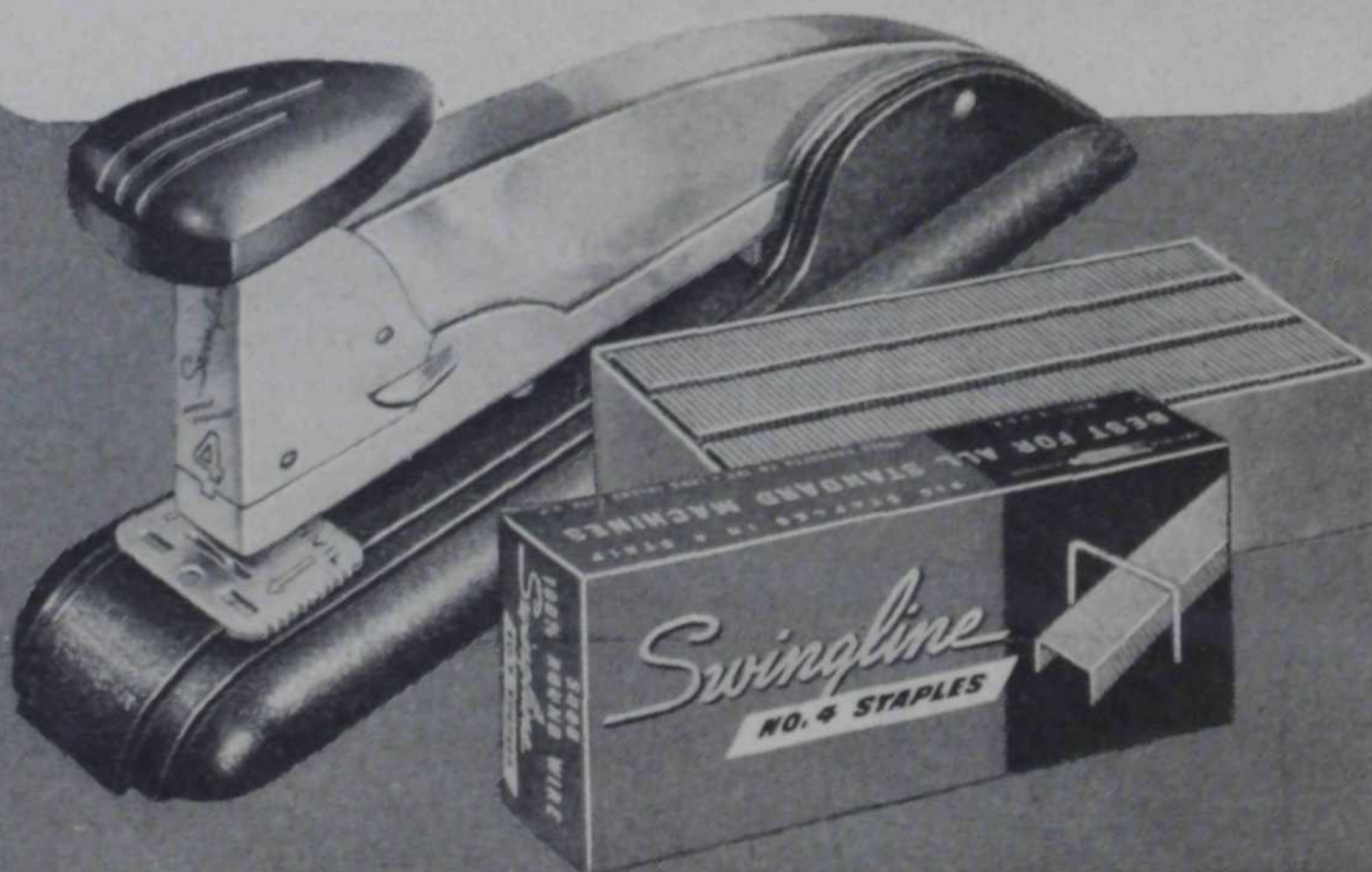


*Sold in the popular
red-white-blue box
at all stationers.*

The fastest, easiest stapler to load because it features the wide-open loading channel. And it tacks, pins and staples! Teams perfectly with Swingline's 100% ROUND WIRE Staples. ROUND WIRE Staples are best for all standard staplers . . . require less adhesive, thus eliminate clogging from excess glue. Swingline your office, home and school!

SPEED PRODUCTS COMPANY, INC., LONG ISLAND CITY 1, N. Y.

STAPLERS *Swingline* **STAPLES**



expenses," bad weather and possible forced landings.

The two men spent weeks measuring maps to determine distances between points. Painstaking? Yes. But apparently it paid off. Wilder and Waggener have had to do little deviating in their original formulas for distances. On August 8, 1945, two days after the atomic bomb exploded over Hiroshima, American Fly Away Service was in operation.

The two men first got together when Wilder, a native of Angola, Ind., was a civilian flight instructor for the Army at Lakeland, Fla., and Waggener was a cadet trying to make the grade as an Army flyer. Waggener had been a promising young lawyer, a former president of the Junior Chamber of Commerce while a civilian in Memphis, Tenn.

Chose business in aviation

LEON and Andy, the latter somewhat older than the usual run of cadets, hit it off from the beginning. When the time came for Andy to leave the post, the two made a pledge that when the war was over they would enter a business enterprise together, preferably something in aviation.

When Andy returned from the southwest Pacific after 300 combat hours, the two saw each other as often as possible. They were convinced that aviation, spurred by the war, would boom. The question was how to get into the field.

First they thought they'd open a dealer's agency in Florida, only to encounter difficulty. It required too much money. One day Wilder, brooding over the situation, found himself with another problem. How were they to get the planes from the manufacturer to Florida even if they had an agency?

Then came another idea. Someone had to deliver planes to dealers—why didn't he and Waggener?

They began talking and writing to manufacturers and dealers. They studied all the angles they could think of in connection with the plane ferrying business.

All this finally paid off, and today Wilder and Waggener are optimistic about aviation—but they are by no means Pollyannas. They believe that personal airplane production will continue to increase at least until next summer.

American Fly Away Service is not, of course, without competition. A number of other ferrying services have sprung up, although some already have folded. None so far has grown as large as American. And, there are some dealers

ACCIDENTS are waiting to happen SOMEWHERE all the time!

Employers Mutuals Service helps keep them from happening to you

Every day of the year accidents kill 260 people and seriously injure 28,100 more—at home, at work, on streets and highways. The total cost is well over a million dollars a day.

Tonight hundreds of thousands of men are with their families—men who would not be there except for the achievements of Employers Mutuals engineering service in reducing accidents and saving lives.

The outstanding reputation of Employers Mutuals for accident prevention began many years ago. Back in 1911, in Wisconsin, a group of far-sighted manufacturers decided to share their chances of loss in order to lower the actual cost to each of them. That was the start of Employers Mutuals—the beginning of a story of service.

Because accidents kept the cost of insurance high, they put safety engineers on the job to wipe out the causes of accidents and to devise safer methods of working. Then came industrial nursing, first aid programs, and modern physiotherapy laboratories.

Employers Mutuals service followed the needs of the policyholders. When one

needed service in Michigan, Employers Mutuals obtained a charter to operate there. Another policyholder wanted coverage in New York, then in Texas. Again Employers Mutuals went along. Today they are represented in all 48 states.

Large business organizations insure with Employers Mutuals

Thousands of important companies place their insurance with Employers Mutuals because they have made it their business to investigate the sound administration, outstanding service, and reduced accident rates that mean lower insurance costs.

It is equally good business for you to insure with Employers Mutuals

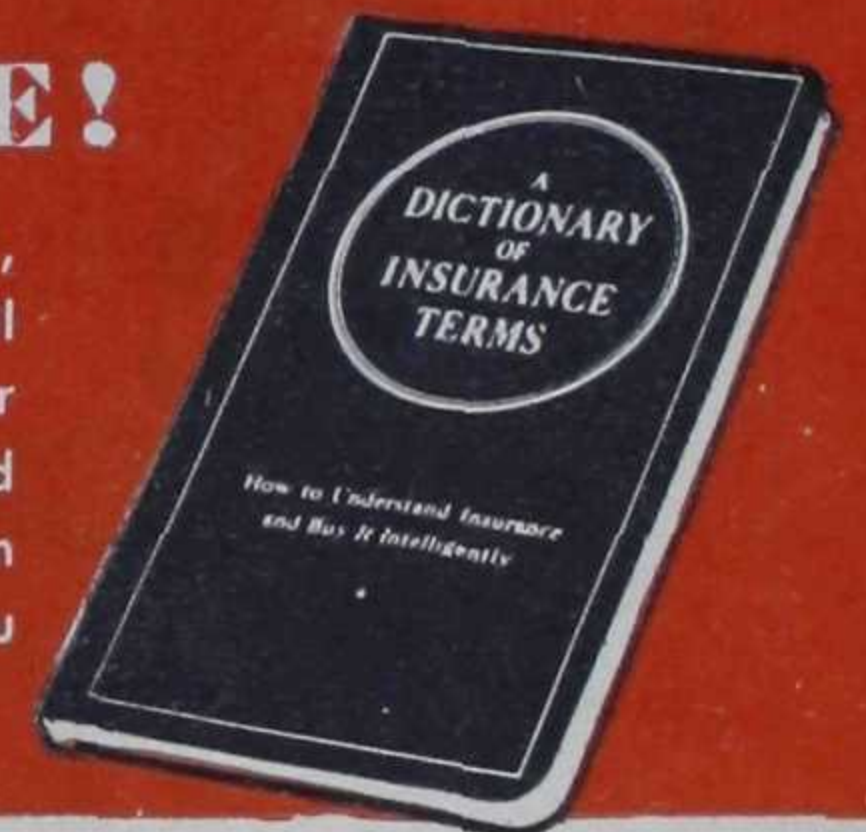
It is sound business for you to enjoy the same advantage of Employers Mutuals safety work, the prevention of accidents—no matter where they may be waiting for you—and the consequent lower insurance costs. Use the coupon to get information about the policies you may need.

How Employers Mutuals Make Insurance Understandable

Employers Mutuals have always endeavored to make insurance understandable, through their representatives, and through the E-M Insurance Survey. Now they are furthering this endeavor through informative advertising and by the publication of "A Dictionary of Insurance Terms—How to Understand Insurance and Buy It Intelligently." This dictionary, with more than 200 definitions, and many specific examples, is yours for the asking.

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BLUE AND GOLD BANK OF AMERICA TRAVELERS CHEQUES ARE AVAILABLE THROUGH AUTHORIZED BANKS AND AGENCIES EVERYWHERE

who still ferry their own planes, and some ultimate customers who like to do it just for the fun of it.

Freight trains also haul planes and, to some extent, so do trucks. The actual cost of getting a plane by train or truck is apt to appear cheaper to the dealer than fly-away service. For instance, from Washington to Dayton the freight charge, on a six to a carload set-up, comes to \$28.99 per plane, considerably less than the \$57.75. The trucking cost for delivering a plane over the same distance would be \$51.10 if hauled on a solitary basis, but under volume hauling the price per plane would be less.

Cheaper delivery

THE American Fly Away Service maintains that its service is cheaper in the long run for any distance under 1300 to 1600 miles. The service explains that the dealer has to pay the cost of re-assembling planes when they come by train or truck. The job of giving a plane its final test also becomes the dealer's instead of the manufacturer's.

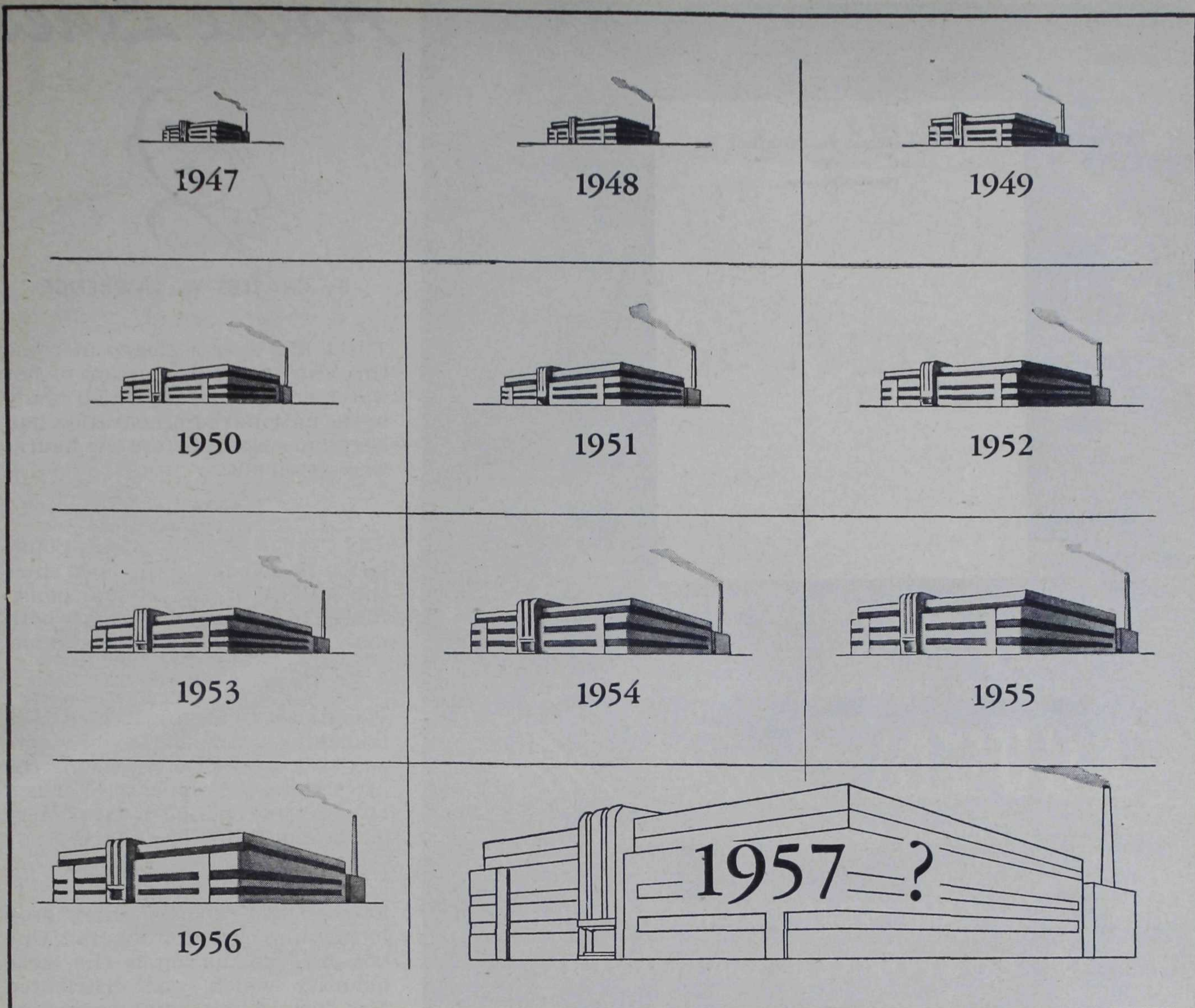
Some manufacturers prefer to ship planes by train since trains move in any kind of weather whereas inclement conditions may ground aircraft and cause a cluttering-up situation.

Other manufacturers, sold on air ferrying, feel that any drawback to fly-away service is more than made up by proving their claims of their products' economy and practicability and by aiding in general the aviation industry. They also feel that it's to their advantage when a ferrying pilot catches a "bug" that may have developed in a plane.

Wilder and Waggener, who estimate that railroads and truckers haul from 20 to 25 per cent of the personal planes being made, are campaigning to have the aviation industry discourage this activity. They argue that the ferry service keeps money in aviation whereas a manufacturer using rail facilities puts it into another form of transportation.

Every now and then Wilder and Waggener will ferry a plane somewhere themselves; ostensibly, of course, to put them in a locality where they are needed to transact some business.

But people around their office are apt to wink. They have a feeling that the two W's just feel a little stodgy after their feet have been on the ground too long, and like to shake their earthly routine and get up into the air.



How much will your business grow in 10 years?

That's a difficult question to answer . . .

But the chances are you're headed for rapid, profitable expansion . . . if your industry is located in the Southland served by the 8,000-mile Southern Railway System.

For here, where industrial opportunities abound, you will be favored by many natural advantages and resources . . . by economical

production and distribution . . . by great, and growing, consumer markets . . . by a unique combination of *all* the factors vital to progress and prosperity in the era ahead.

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Ernest E. Harris
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Ecusta Paper Corporation

PISGAH FOREST, NORTH CAROLINA

Aside Lines



By CHARLES W. LAWRENCE

THERE has been a steady increase this year in the production of hot water heaters, a fact which many in the national administration had begun to suspect before the figures were given out.

★ ★ ★

THE CENSUS BUREAU notes a population trend back to the farm since the advent of the atomic bomb. Rural life suddenly seems both more endurable and more durable.

★ ★ ★

WASHINGTON business men are launching a campaign to lure tourists back to their city. Among the attractions they have to offer is a considerable change in the scenery on Capitol Hill.

★ ★ ★

BOOKSELLERS report a sharp drop in the sales of fiction this fall. One possible explanation is the large quantity which was distributed free during the election campaign.

★ ★ ★

ELECTRIC trains are back on the market in large quantity this month. That solves the Christmas shopping problem for all members of the immediate family except mother and the youngsters.

★ ★ ★

THE UNITED STATES Department of Labor wants \$10,000,000 to use in teaching labor leaders how to avoid strikes. Some persons think, however, that Congress could provide the lesson for nothing.

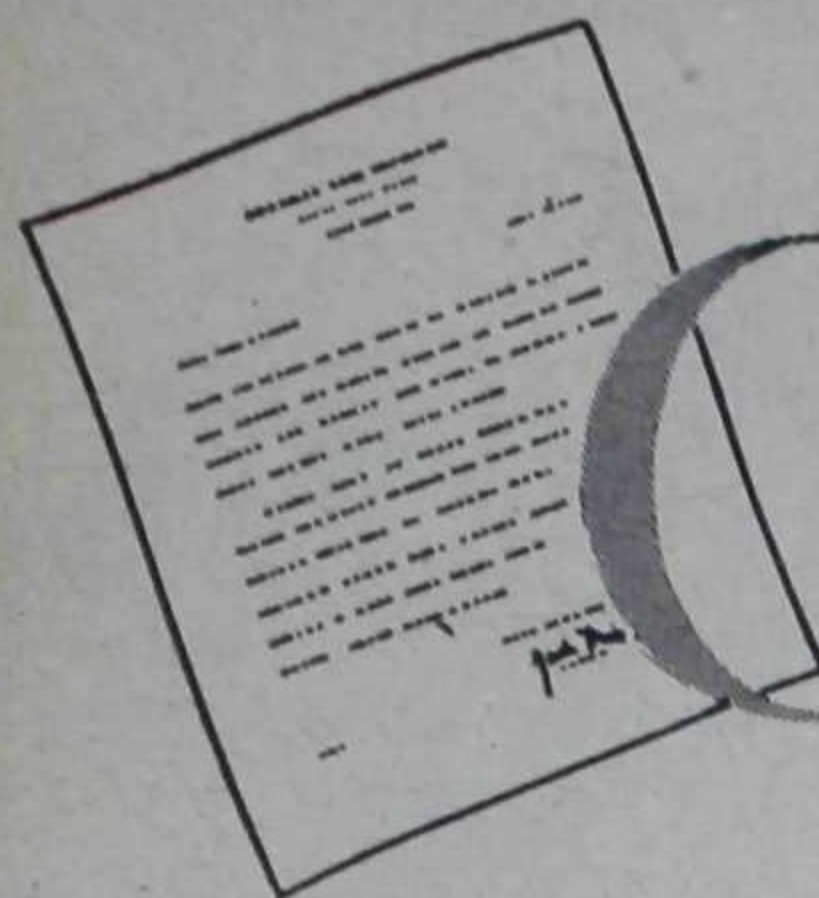
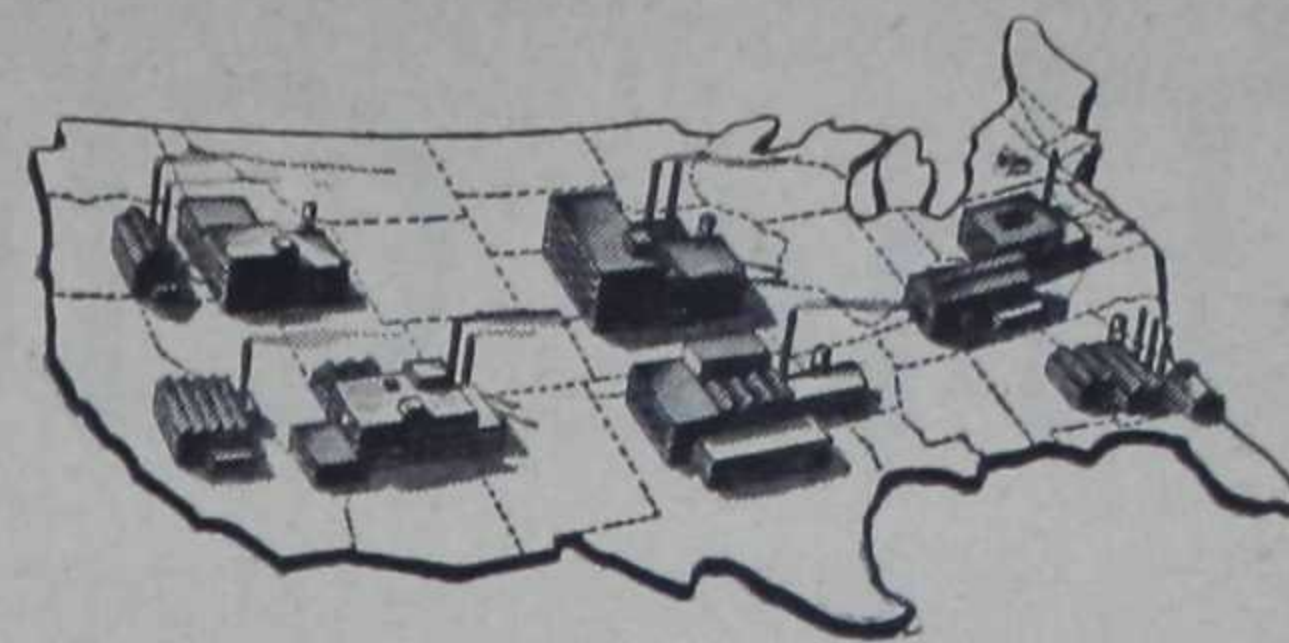
★ ★ ★

THE GOVERNMENT has 33,000 anchors which it doesn't know what to do with. It might try using them on the ship of state.

★ ★ ★

SAFETY programs are said to have slumped badly since V-J Day, but as yet not very many of us have hurt ourselves working.

To serve all your plants
wherever located



One Purchase Agreement



plus 2300 Wholesale Supply Points

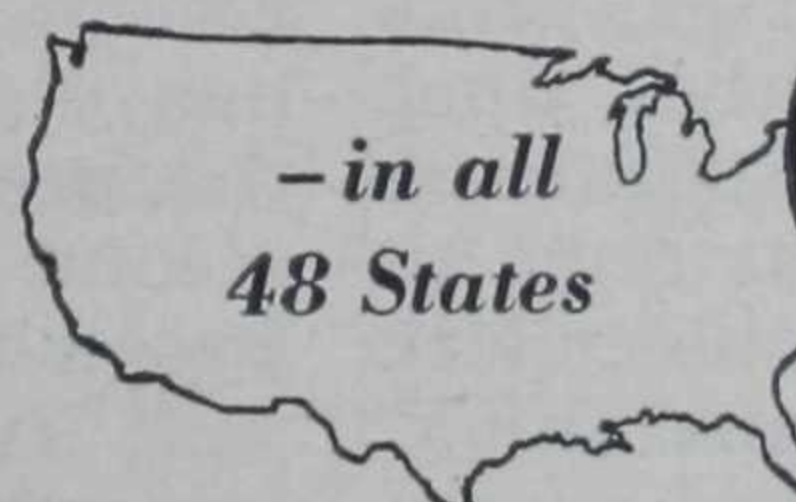
One Purchase Agreement — for all your plants, *wherever located* — is more economical, more efficient, through centralized control of purchasing.

Insuring you uniform quality lubricants and fuels, and so, uniform performance and full operating efficiency, plus . . .

The services of skilled *Texaco Lubrication Engineers* to cooperate in increasing output, reducing costs.

Telephone the nearest of Texaco's more than 2300 Wholesale Supply Points — or write to The Texas Company, 135 East 42nd Street, New York 17, New York.

The Texas Company



The Club that Takes Its



IN 1885 Washington correspondents and Congress were blithely calling each other names. Congress was resentful, among other things, because the writers published presumably secret senate votes on treaties. The newspapermen objected because congressmen were flooding the press galleries with their constituents.

A series of dinners was finally held to establish some sort of peace. Around the dinner table, with rancor bedded down in good food and potables, the writers were surprised to learn that a statesman, however foggy his views on the tariff, could be a sound man in an extemporaneous quartet; while the statesmen learned that what might be a gratuitous insult across a newspaper column was only an adroit riposte across a tablecloth.

Aglow with this new-born amity, the newspapermen formed a loose

organization to give the dinners permanence. Membership was originally limited to 40, and the only purpose was to hold a dinner whenever the spirit and the flesh could take it.

Today, known as the Gridiron Club, the organization continues and its dinners, still dedicated to fellowship and entertainment, have become an institution sufficiently powerful to broil public figures with impunity—occasionally to break them—and to inspire a hotel to build a room especially adapted for them.

Over the years, the Club has gained mellowness and dignity. Except for the Marine Band which has played since the beginning, the present dinners, held on the second Saturdays of April and December, have nothing but purpose in common with the earlier Donnybrooks where the favorite

amusement of the newsmen was to heckle the speakers.

Mark Hanna, an early favorite among the guests, would inspire a dour response today with the crack that endeared him to his hosts on his first appearance:

"I have many friends among newspapermen," he said. "I meet them in the Capitol and in bar-rooms."

Two speakers today

TODAY the heckling is gone as are the speakers, except two—the President of the United States and an "opposition" speaker who precedes him. Now Club members, in mandatory white tie and tails, are entertained by a show—written, produced, directed and acted by Club members—which pokes barbed fun at the foibles, pretensions, ambitions and weaknesses

Guests Apart

By CARLISLE BARGERON



FOR 61 years Washington's Gridiron Club has been inviting the nation's great to a dinner where fellowship and satire go hand in hand

of famous people and policies. Those whom the Club has deigned to catechize are painstakingly invited to be present. Labor leaders, including shaggy-maned John L. Lewis, have had their measure taken at these dinners, as did Schley and Sigsbee when they returned from the Spanish-American War arguing over who was the greater hero.

Joe Martin, House Republican leader, found himself portrayed in a recent skit, "The Great Political Sideshow" as "The man who is far more astounding than a sword swallow—he can put both feet in his mouth at the same time." In

the same act, Governor Dewey became "The biggest little giant in captivity" and Sen. Robert A. Taft, "The man who couldn't say yes."

For the most part, the guests accept their ribbing good-naturedly, although Justice Frank Murphy of the U. S. Supreme Court has declined all invitations since the night the Club—satirizing his penchant for basking on the sands of fashionable watering places—depicted him in garish bathing trunks, singing a parody on "Moon Over Miami."

Similarly, Harold Ickes never went back after the Club portrayed him as Donald Duck always

saying "Quack, quack, quack" in a skit at which President Roosevelt laughed heartily.

Sometime afterward, Ickes wrote in a magazine article that the Gridiron dinners conflicted with his "traditional concept" of newspapermen "with unpressed clothes, rumpled hair and harassed look."

"A Gridiron Dinner," he wrote, "even without any of its 'stunts' is an impressive show. As they sit at table, austere, with elbows touching, white ties flaring and stiff shirts bulging, they might almost be mistaken for an impressive assembly of full-bosomed women plotting some further good to impose upon the community."

Limited membership

THE Club roster is now limited to 50 active members, drawn from the newspaper corps on the basis

BERRYMAN—WASHINGTON STAR

mostly of compatability and talent. A new member is elected when another resigns—which only two or three have done since the organization was formed—or dies or when he leaves the Washington corps. As there have been less than 500 members, all told, since the Club was formed, election is an accolade. Although not all widely known newspapermen belong, the small, gold gridiron which is the Club's insignia appears on the lapels of only outstanding members of the corps.

When a member is transferred to another city or gives up newspaper work, he becomes an associate member. Today there are about 50 of these.

Because journalism and acting ability seldom go hand in hand, the Club has a dozen or so limited, non-newspaper members selected for their theatrical talents. The show being the only reason for the dinners, and the dinners the Club's only reason for being, no effort is spared in casting, rehearsal, stage effects, costuming or research. The show has to be good.

All the active members take roles in the skits—Eddie Folliard, Washington Post correspondent and NATION'S BUSINESS contributor, aims a lush Irish tenor in that direction.

Usually the lyrics are parodies on currently popular songs although the Club has some original

musical compositions to its credit. An effort is made to preserve anonymity as to precisely who wrote what, but some members are known to be more active dramatists than others.

Members write the show

ARTHUR KROCK of the New York Times contributes an occasional act as well as lyrics to accompany it. For the December, 1945, dinner he rewrote the popular tune "The Atcheson, Topeka and the Santa Fe," into "The Acheson, the Clayton and the James F. Byrnes," which turned out to be a commentary on our foreign policy.

Arthur Sears Henning of the Chicago Tribune is another producer whose skits are usually identified by an old man and old woman comfortably rocking as they comment on the passing scene.

Walter Karig, who is on leave from the Newark News to author the Navy's three volumes of "Battle Reports," is a dependable contributor of skits and music, as is Lewis Wood of the New York Times, Club historian, who digs into his knowledge of Shakespeare in order to put modern policy into classical verse.

Phelps Adams of the New York Sun who can't read a note but who can readily play an involved composition by ear is active in the adaptations.

George Rothwell Brown, Hearst correspondent, lets temperament militate against productivity, but wrote an act, remembered since NRA days, which had Henry Ford and William Green of AFL meeting in a Pullman car, both with reservations for Section 7a.

Other contributors who will long be remembered are Henry Suydam of the Newark News who once had all 50 members performing a ballet, for which he wrote words and music, and Bernard Kilgore, editor of the Wall Street Journal, who contributed two original musical compositions for the

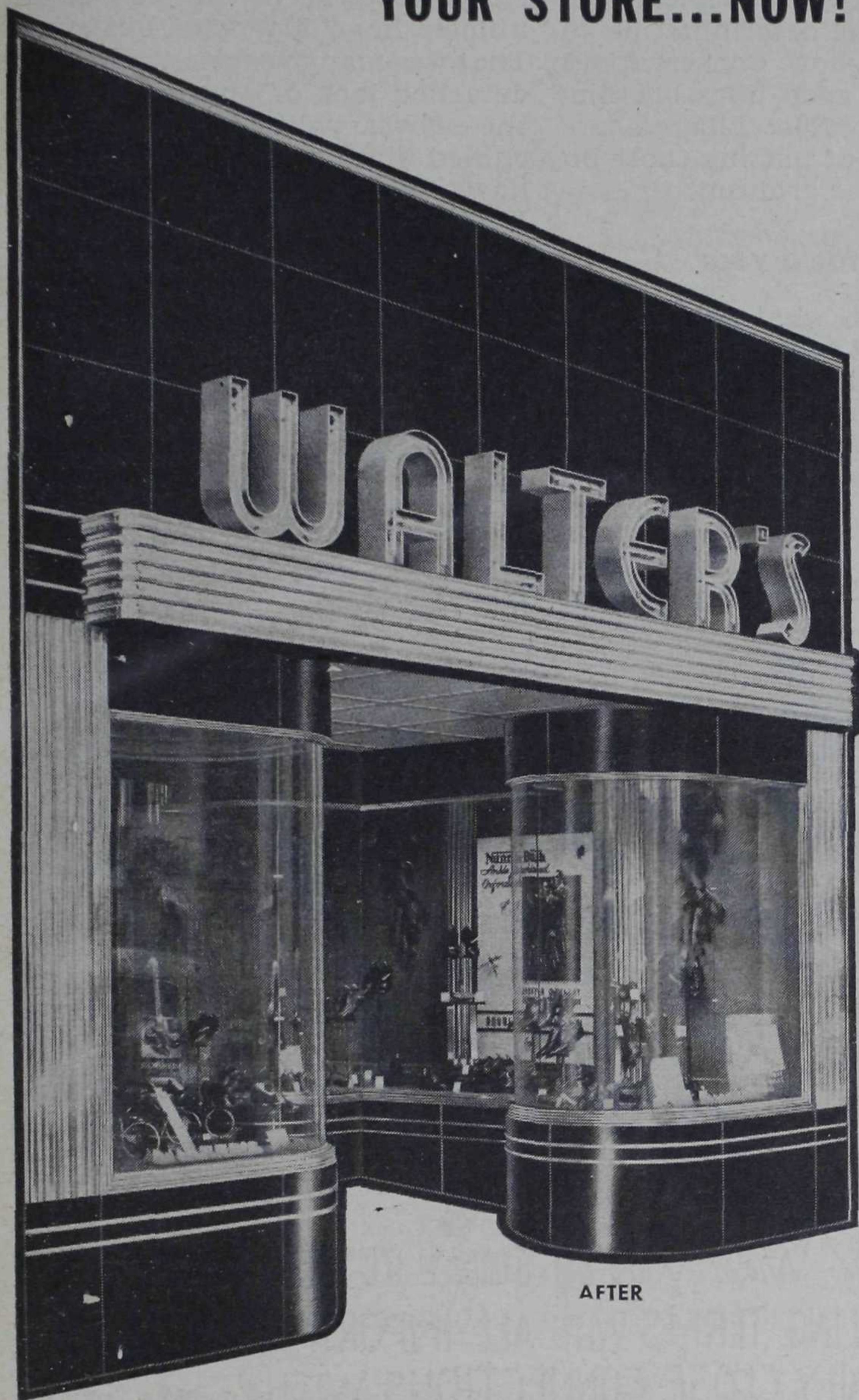


WASHINGTON STAR

Some of the features of the 60th anniversary dinner of the Gridiron Club as seen by cartoonist Clifford Berryman of the Washington Star

The Shoe Store with EYE-APPEAL — inside and out —
draws more customers — increases profits

**LOOK TO YOUR FUTURE
BY MODERNIZING
YOUR STORE...NOW!**

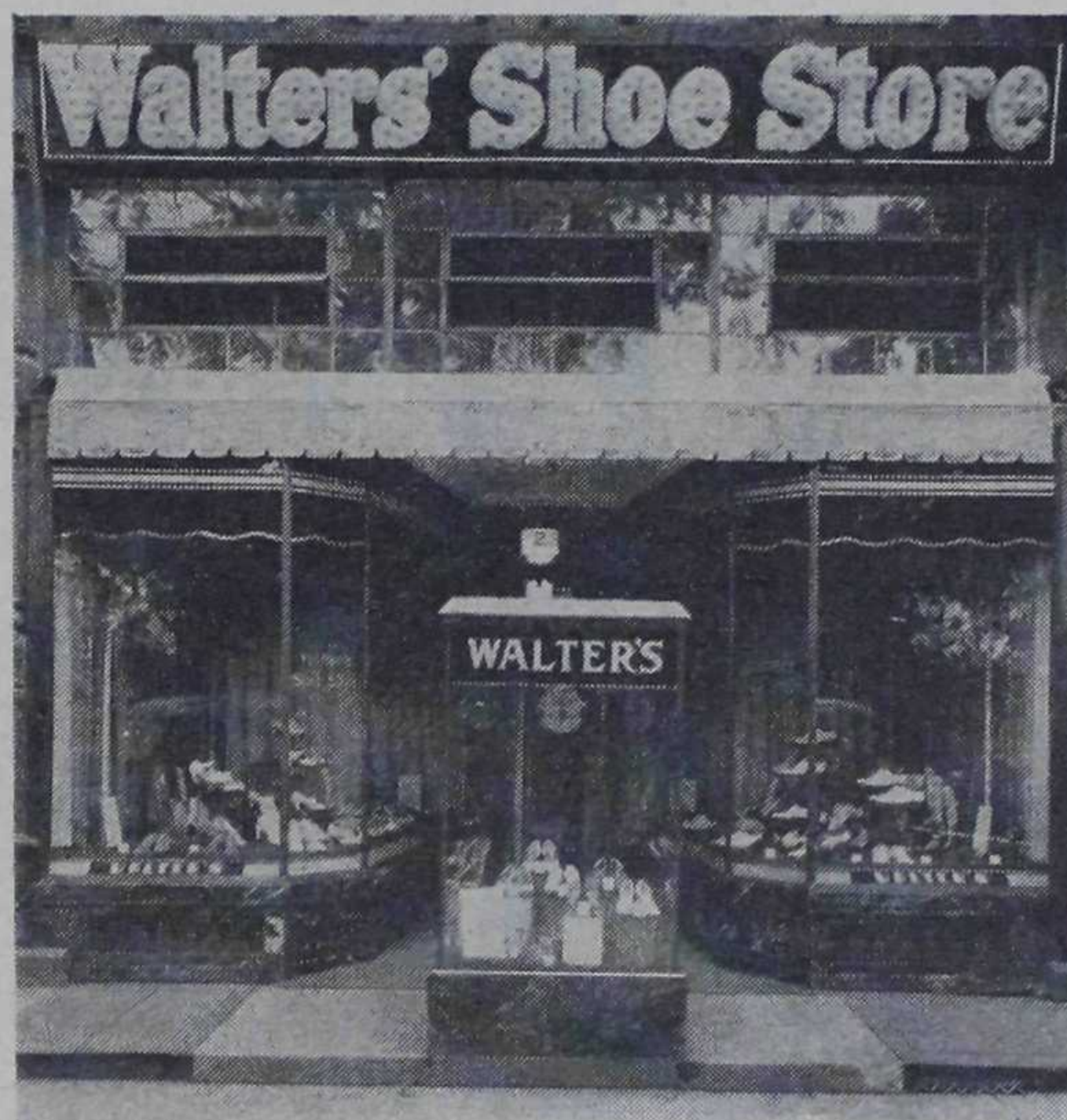


AFTER

■ Personality *does* count, especially when conditions become more normal and competition becomes keen. It will be the shoe store with the best appearance—inside and out—that will have the most pulling power. Progressive merchants realize the value of modern, smart-looking stores. They make sure that they get the right kind of personality into their establishments by modernizing with Pittsburgh Glass and Pittco Store Front Metal.

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*Sweeter as the
years go by*

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same dinner. Tom Brahaney, Washington broker, limited member, is active in the theatrical arrangements.

The skits, when written, are turned over to a committee which weeds them out, rewrites them, treats them generally as a producer might treat any play he intended to produce. Writers whose editors would hesitate to change their copy find that the committee has no such scruples. Ideologies go down before the determination to put on a good show. Conservatives come up with good lines blasting their favorite idols; Liberals are equally handy at putting those on their side on the gridiron.

Czar for a year.

FINAL word on what goes in and what comes out rests with the Club president. In his one-year term he is czar. The president this year is Raymond P. Brandt, whose election seems to be an answer to those who maintain that Club membership is limited to "Tories." Brandt is correspondent for the decidedly "liberal" St. Louis Post-Dispatch.

Other members, seldom accused of conservatism, are Mark Childs and Thomas L. Stokes. Charles Michelson, famous New Deal propagandist, is a member.

Everything that is finally approved must pass the first half of the dinner's invariable rule: "Ladies always present—"

The second half is: "Reporters never present."

Actually, although their mythical presence keeps the show clean, women have attended but once. That was many years ago and their detached lack of appreciation for the show's political subtleties so chilled that gathering that they have never been asked again. While in the White House, Mrs. Roosevelt inaugurated a "Gridiron Widows' Night" to which the womenfolk of the diners were invited, and where the entertainment demanded less aptitude for current affairs than was required of those who made the Gridiron guest list.

The lists, over the years, have become a "Who's Who" of the great, near-great and just-missed-
(Continued on page 86)

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SKIM THE MILKY WAY WITH THE LITTLE DIPPER

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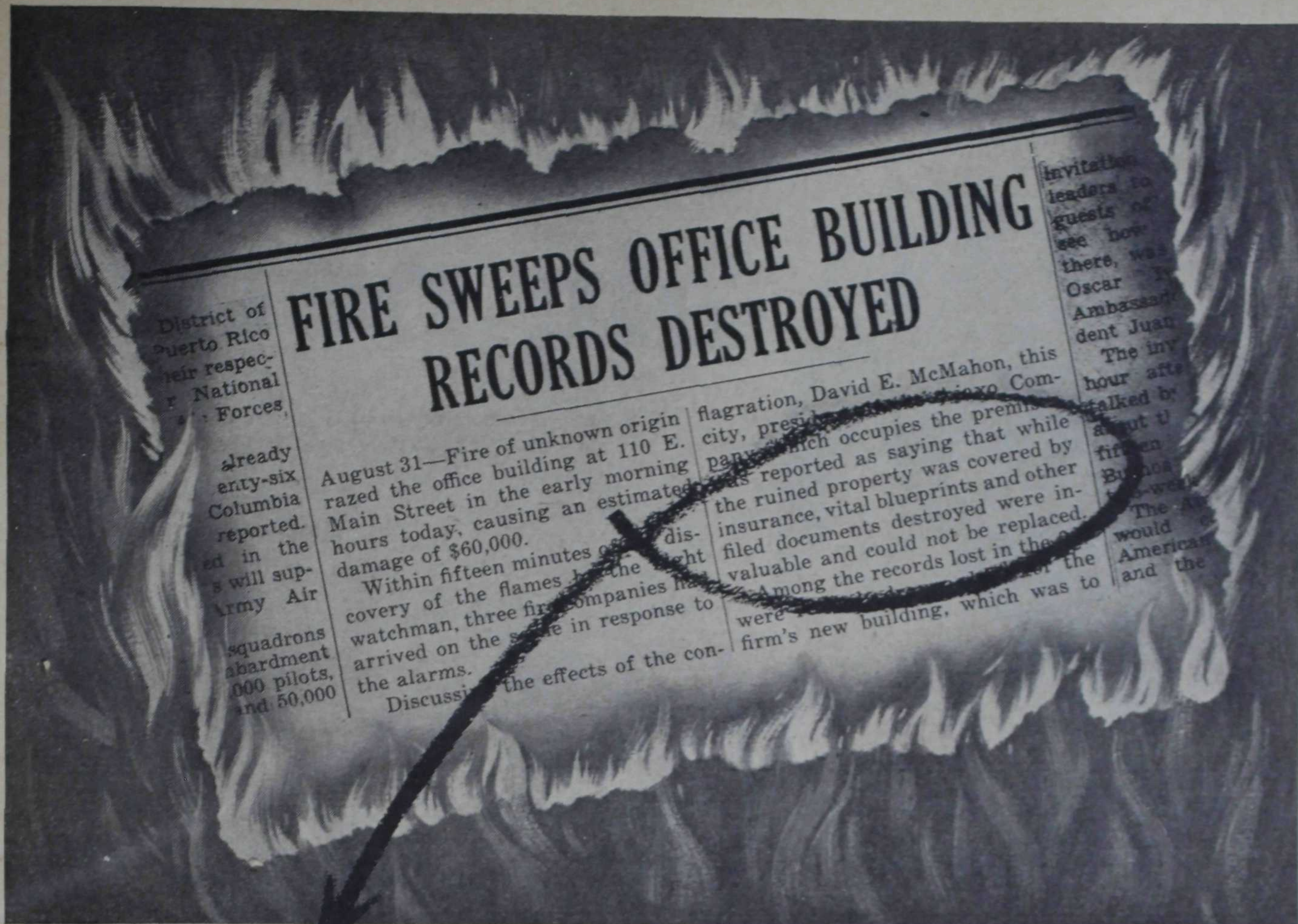
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GRIDIRON PRESS
APRIL 13TH. 1946

WILLIAMSBURG

GRIDIRON CLUB

Berryman, who thought up this gag advertisement, has been making cartoons for the Gridiron Club for more than 50 years



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What you may not know, is the exceptionally favorable position of so-called "small business" in acquiring these properties for its particular needs.

If you are *not* the dominant firm in your field—or are *not* affiliated with the leader—or do *not* employ *more* than 500 persons . . . you may be able to qualify as a "small business" under the law governing disposal of these facilities.

Once you are so qualified, there is immediate possibility for you to obtain the plant you want under *high priority*—a priority given the Reconstruction Finance Corporation to purchase these plants for re-sale to small business. Our field offices will advise you how to obtain this priority certification.

You will find that the Government's surplus plant offerings are highly flexible, for example: (1) Entire plants (both large and small)—(2) Land and buildings only—(3) Land and buildings together with such portions of the contained equipment as may be desired—(4) Specific, separate buildings, where the facility is economically and operationally divisible; and—(5) Lease of a portion of a single building under a multiple-tenancy arrangement.

If you are thinking of *expanding* your production, *modernizing* your facilities, *adding* a new process, *relocating* your business or *starting a new enterprise*—make your needs for plant and equipment known to the War Assets Administration office nearest you—see list below.

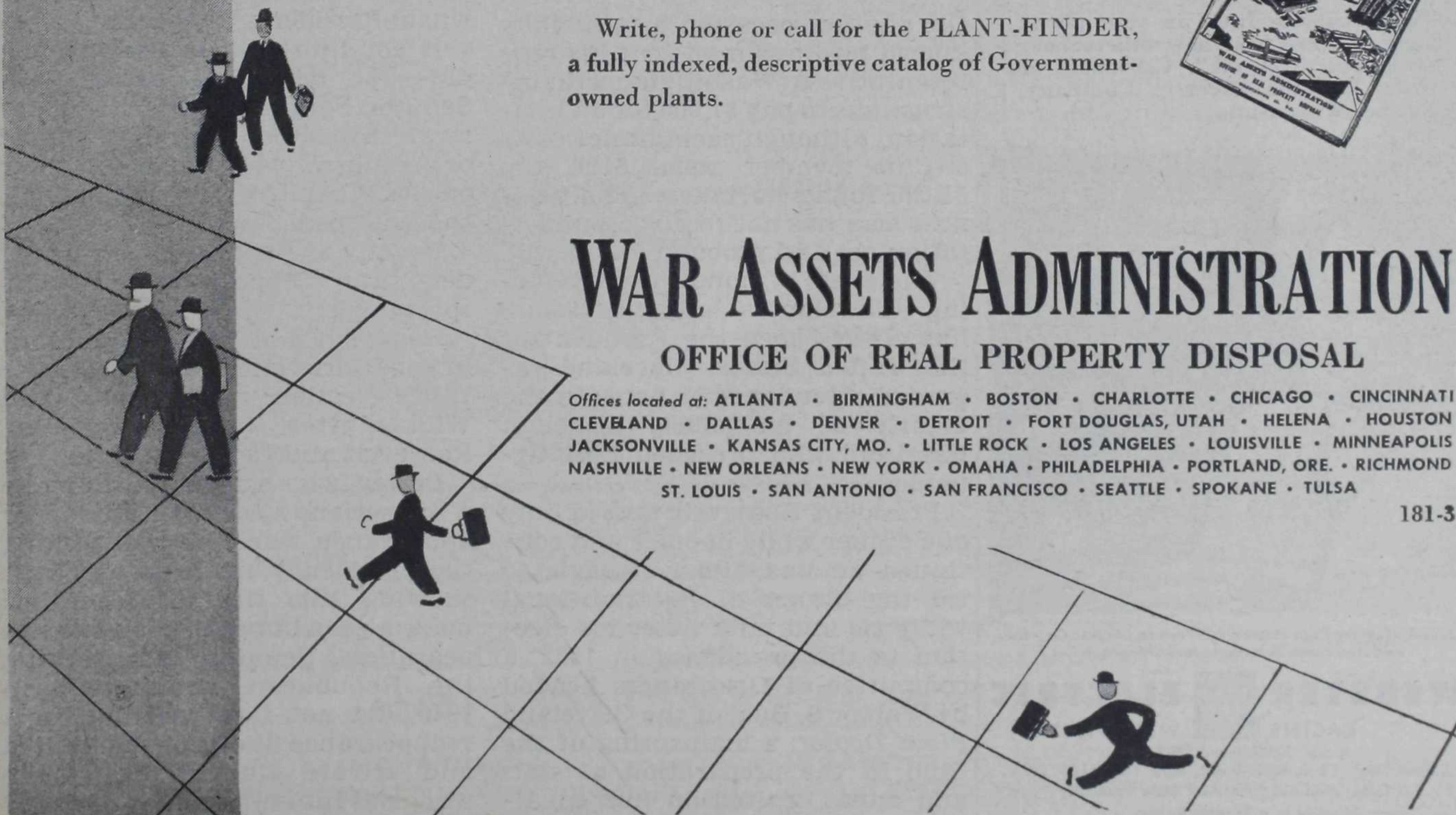
Write, phone or call for the PLANT-FINDER, a fully indexed, descriptive catalog of Government-owned plants.



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181-3



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"Teletalk" for a doctor's office is like the addition of another receptionist. Transmitting phone messages, summons to answer phones, quick questions, requests for materials can all be communicated by just flipping a key and speaking into your "Teletalk". It's this kind of help that saves so many extra steps a day and makes it possible to get so much more accomplished.

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"Teletalk" is easily operated. The tone is natural — cabinets are attractively designed — and the cost to operate is negligible.

The distributor listed in your phone book will tell you how others have saved with "Teletalk". Call today, or write Webster Electric Company, Racine, Wisconsin.



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"Where Quality is a Responsibility
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being-great of this country and, to some extent, of the world.

At random they include General Greely, the explorer; Mark Twain, Buffalo Bill, David Belasco, William Jennings Bryan, J. P. Morgan the elder, Henry Ford, Daniel Willard, Alexander Graham Bell, John D. Rockefeller, Jr., Kenesaw Mountain Landis, Charles Lindbergh, Joseph Jefferson, Bill Nye, Tom Reed, Joe Cannon, John W. Gates, Irvin Cobb, Henry Watterson, General Phil Sheridan, General Nelson Miles, Marshal Foch, Aristide Briand, Field Marshal Haig, and so on.

These celebrities are usually invited as guests of the Club. In addition, an active or limited member is permitted to bring three guests and associate members one. Since the guest lists are published, lack of an invitation is a frequent embarrassment to those whose Washington success depends on their claims of being close to the "big shots."

On one occasion, just before the war, a man whose boast of "government connections" was his chief recommendation for a \$50,000 a year job, thought it essential to be seen at the dinner. When nobody invited him, he donned his white tie and tails and made the rounds of the predinner cocktail parties on the coattails of Jim Farley, managing to get into the picture every time a photographer snapped Jim. He got the job.

Invitations are not bought

ON another occasion a nationally known business man sent his representative to Washington with instructions to pay \$1,000 for an invitation. Although each dinner costs a Club member about \$100, the \$1,000 found no takers. The business man has not received an invitation yet and probably never will.

The guest of honor, except during Cleveland's administration, has always been the President of the United States. Cleveland regarded attendance as beneath the dignity of his office, although Harrison, who preceded him, attended.

President Roosevelt missed only one dinner while in office and continued an unavailing struggle to rid the dinner of its traditional white tie and tails. After his election to the presidency in 1932, a committee of Gridironers headed by Walker S. Buel of the Cleveland *Plain Dealer*, a mainspring of the Club in the preparation of skits and music, waited on him in Albany to invite him to the Decem-

ber dinner. Mr. Roosevelt accepted, but immediately proposed that the Club abandon formal dress.

Buel pulled himself to his full six feet and, with mock gravity, said:

"Governor, Presidents of the United States come and go, but the Gridiron goes on forever. It will have to be white tie and tails."

War shortages and informality almost accomplished what President Roosevelt failed to do but the Club held grimly. On revival of its dinners after V-J Day, there was a definite aroma of moth balls.

Roosevelt preferred to wear the soft shirt and collar that go with a black tie. Also formal evening clothes did not adequately hide the braces on his legs.

Although his administration provided material at which Club skit-writers aimed several venomous shafts, the writers did not often pierce his good nature and, in the off-the-record jousting with the "opposition" which closes every dinner, he seldom came out second-best. Nevertheless, throughout his administration he sought to play the rank and file newspapermen against the exclusive club.

Show is with dinner

BY A unique arrangement, the dinner and the show are served simultaneously so that the Presidential remarks and the coffee arrive together. Since "no reporters are present," these remarks have been printed only once. That was when President Theodore Roosevelt got into a knock-down-and-drag-out oratorical battle with Senator Foraker of Ohio, a bitter rival. It was too much for a couple of members, who broke for their offices. When the others found out, the stampede was on.

Usually the tilts between President and "opposition" are less spectacular.

Roosevelt and Landon appeared in good form and nature after the 1936 election; Roosevelt and Willkie after the '40 campaign, Roosevelt and Dewey after '44.

Dewey, who had sought to make a too serious speech on an earlier appearance when he was seeking the Presidency, made an excellent showing this time. Stassen has made a good impression on two appearances. Senator Taft, seeking the Republican nomination in 1940, did not fare well but, in a reappearance at one of the limited and private dinners during the war, sold himself completely.

Twice the Club selected fellow

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It's the Tops in Tobacco!

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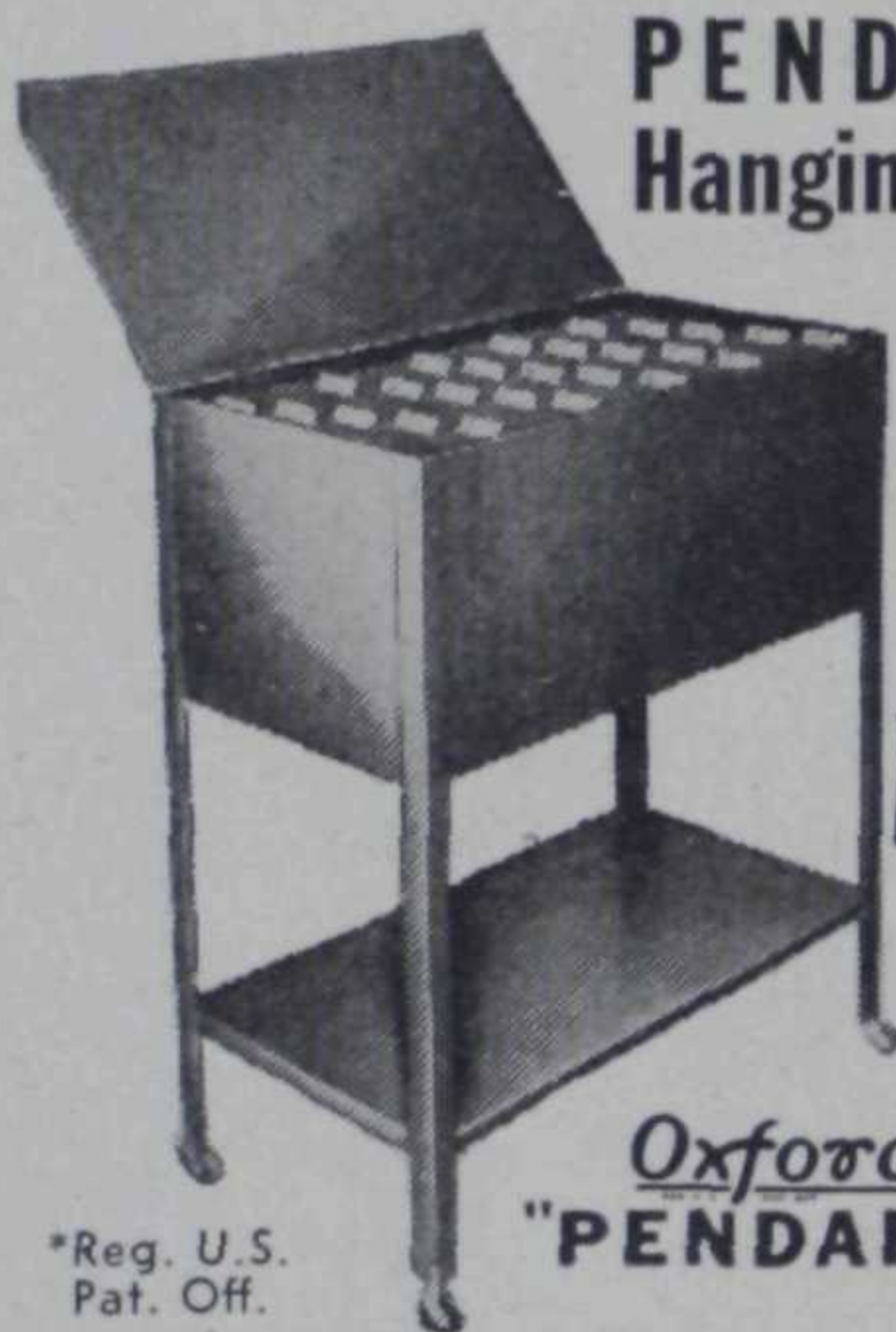
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It's a combination that will break every filing
and finding speed record wherever used. Get
your "Pendaflexer" now—immediate delivery.

Send coupon for illustrated price list.

OXFORD FILING SUPPLY COMPANY, INC.
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Name

Address

journalists as "opposition" for
Roosevelt. The first was Henry
Mencken, the iconoclast. Antici-
pating Mencken's probable line of
attack, Roosevelt had put his aides
to digging contradictory excerpts
from Mencken's writings. He read
these in high glee to demonstrate
that Mencken approved of nothing
and, as he left the dinner, paused
to shake hands with his red-faced
opponent.

When Frank R. Kent, the com-
mentator, was selected as his op-
position, Roosevelt chose to deal
with him by not once referring to
a thing Kent had said or even men-
tioning his name.

On other occasions the opposi-
tion speaker was a possible aspir-
ant for the Presidency, a fact that
gave the diners opportunity to
compare incumbent with his rival
and, in spite of the general levity
of the occasion, arrive at opinions
which remarkably often future
events have borne out.

Sometimes, too, the acts, as well
as the speeches, are prophetic.

At the spring dinner in 1940, the
singers in one number played be-
fore a back drop showing a huge
Sphinx fashioned after cartoonist
Talbert's caricature of Roosevelt,
demanded whether the President
would run for a third term.

A few minutes later, the "opposi-
tion," Senator Vandenberg, who
was having a hard fight for re-
election, remarked philosophically
that probably neither he nor
Roosevelt would be on hand at the
dinner of 1941. Roosevelt, speaking
in his turn, replied that he ex-
pected they would both be back.

Parties with the dinner

ALTHOUGH they do not reach the
newspapers, these comments pro-
vide exciting conversational ma-
terial in the private parties that
follow the dinner which, over the
years, have gradually attained the
stature of a "Gridiron Week-End."

Starting at six o'clock before the
dinner, members and guests make
the rounds of private parties in
dining rooms and suites on the
mezzanine of the Statler Hotel
where the dinner is held. Many of
these parties have no purpose ex-
cept fellowship but, here and
there, it is not impossible to find a
campaign manager eagerly shep-
herding everyone he can button-
hole into a room where his protégé
is on display.

The dinner itself is held in a
room designed after consultation
with the Secret Service. Although
it faces the street, there are no
windows in the wall behind the

head table. There is a secret en-
trance for the President and spe-
cial arrangements for handling
whatever situation fire or emer-
gency might create.

After the dinner, these parties
and others remain up to greet the
Sunday dawn. Until his death a
few years ago, the diners had a
standing invitation, *en masse*, to
the home of William S. Corby who
sold out his bread business in the
'20's and retired.

Opinions may change

THERE a Presidential aspirant
once admitted that he could think
of no reason why he should be
elected, and an industrialist who
had shared that opinion at four
o'clock in the afternoon, greeted
the statement with hot rebuttal.
There, too, Nick Longworth used to
play and sing the more robust folk-
songs on a pipe organ adequate for
a cathedral, and the late Sidney
Smith drew gay cartoons with soap
on a bathroom mirror, thus giving
his host some unhappy moments of
explanation to the more delicate
members of his family.

Through all this, each dinner re-
vives a spirit of fellowship that is
not too common in Washington.
Although they have no Club rooms,
and meet only once a month, most-
ly on business concerning the din-
ners, Gridiron members have a
close fraternity, as do their wives.
Although they are in a highly com-
petitive business which has its
share of jealousies, opposing ideol-
ogies and more than ordinarily
firm opinions, no Gridiron member
speaks ill of another, except, per-
haps, to another Gridironer.

Perhaps holding the world's
troubles, movements and isms be-
fore the mirror of a good belly
laugh makes better friends of
everybody. At one Gridiron Dinner
it had soul-stirring results.

The December, 1945, show in-
cluded an act inspired by the row
over unification of the armed
forces. In it the Air Force attempt-
ed to marry the Navy to the Army,
to give it legitimate parenthood.
As the skit ended, General Eisen-
hower and Admiral King, in an im-
promptu gesture of fellowship,
rose, walked toward each other and
shook hands.

The rule does not always hold,
however. Non-Gridironers among
the newspapermen like to tell
about the time a stranger rented
formal dress, walked through the
exclusive assembly, nodding cheer-
fully to Secret Service men—and
served a subpoena on one of the
distinguished guests.

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do a better low-cost job of protecting *your* product in shipment.

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Fascism Is Not Dead . . .

(Continued from page 40)

fastness of a man who sticks to his ship, however much it tacked and yawed.

If you look at Fascism from this point of view, it means both more and less than we used to think. At the same time, it would obviously be silly to claim that there are no differences between Fascism and Communism. They were not at war with each other for nothing. A comparison has made many of us feel that, if we had to make a choice between the two evils, we would choose Communism. Let us see why, if only because it will help us to understand Fascism better.

Fascism vs. Communism

COMMUNISM in its theory and its aims is a noble ideal. It is based on a fine and lofty vision—the brotherhood of man. Communism seeks to make men equal. Fascism is frankly hierarchical. The dictatorship of Fascism is permanent; that of Communism (in theory) is a temporary “dictatorship of the proletariat,” which is both the key and the instrument of communist totalitarianism. Communism aims to abolish the state; Fascism deifies it. Communism, in its efforts to make men equal, seeks to eliminate nationalism and racism, which are both pillars of the Fascist structure.

Communism, again, aims to share the material wealth of society more or less equally, where Fascism aims to use the material wealth of society for nationalistic ends.

Communism is pacific in its goal (although not at all in its means, which rely on revolution and civil wars); Fascism is frankly militaristic and glories in war.

Communists can claim that their goals have deep religious and ethical roots. In Italy, when we first took Rome in 1944, a movement of “Catholic Communism” gained much support among the youth. The attempt—and quite a sincere one—was to reconcile Catholic Christianity to Communism and many plausible arguments were advanced. However, the movement was firmly scotched by the Vatican, for reasons too obvious to go into.

At the same time, many sincere Catholics and Protestants before the war saw in Fascism a way of life which they thought they could reconcile to Christianity. It stood for law and order, for the granting

as a gift from the state of many social benefits. It seemed to many to be the sincere and natural opponent of atheistic Communism and as such had the passive benevolence of the Vatican in Spain, Italy and elsewhere and the active support of part of the Catholic hierarchy in those countries. Fascism paid lip service to religion and it was, indeed, the agnostic and scoffer, Benito Mussolini, who healed the breach between Church and State in Rome with the Lateran Pact of 1929.

The war destroyed these illusions and revealed Fascism for what it was: one of the most dangerous enemies of religion in the whole course of history.

Nevertheless, Fascism is not dead. The siren voice sings again, holding up the glittering prize of law and order, whispering in our ears, like Mephistopheles, that we can have all these fine things if we would only sell our free soul. It is seldom called Fascism now but, call it Communism, Fascism or what you will, the results to the individual could well be the same.



One totalitarianism is so much like the other in its practical effects, that the average citizen is surely not going to be philosophical and prefer one to the other.

Let us cast an eye over the American scene and look for the worst.

The first thing that must strike an observer is the prevalence of a form of racism of which the Ku Klux Klan is only one small manifestation. Where you have anti-Semitism, anti-Catholicism, the repression of Negroes because they are Negroes, the discrimination against Orientals, you obviously have a Fascist attitude of the Nazi type. To be sure, you can have, for instance, anti-Semitism without in any sense having Fascism since

its roots are many centuries deep, but no one can deny that in our day there is a link between racism and Fascism. The anti-Semite is naturally inclined to gravitate toward a movement which gives him the desired satisfaction in that respect.

It may shock Americans to say so, but it is true that, since the destruction of the Nazi and Fascist regimes in Germany and Italy, the United States is the most racially minded—indeed, let us face it, racist—nation in the world.

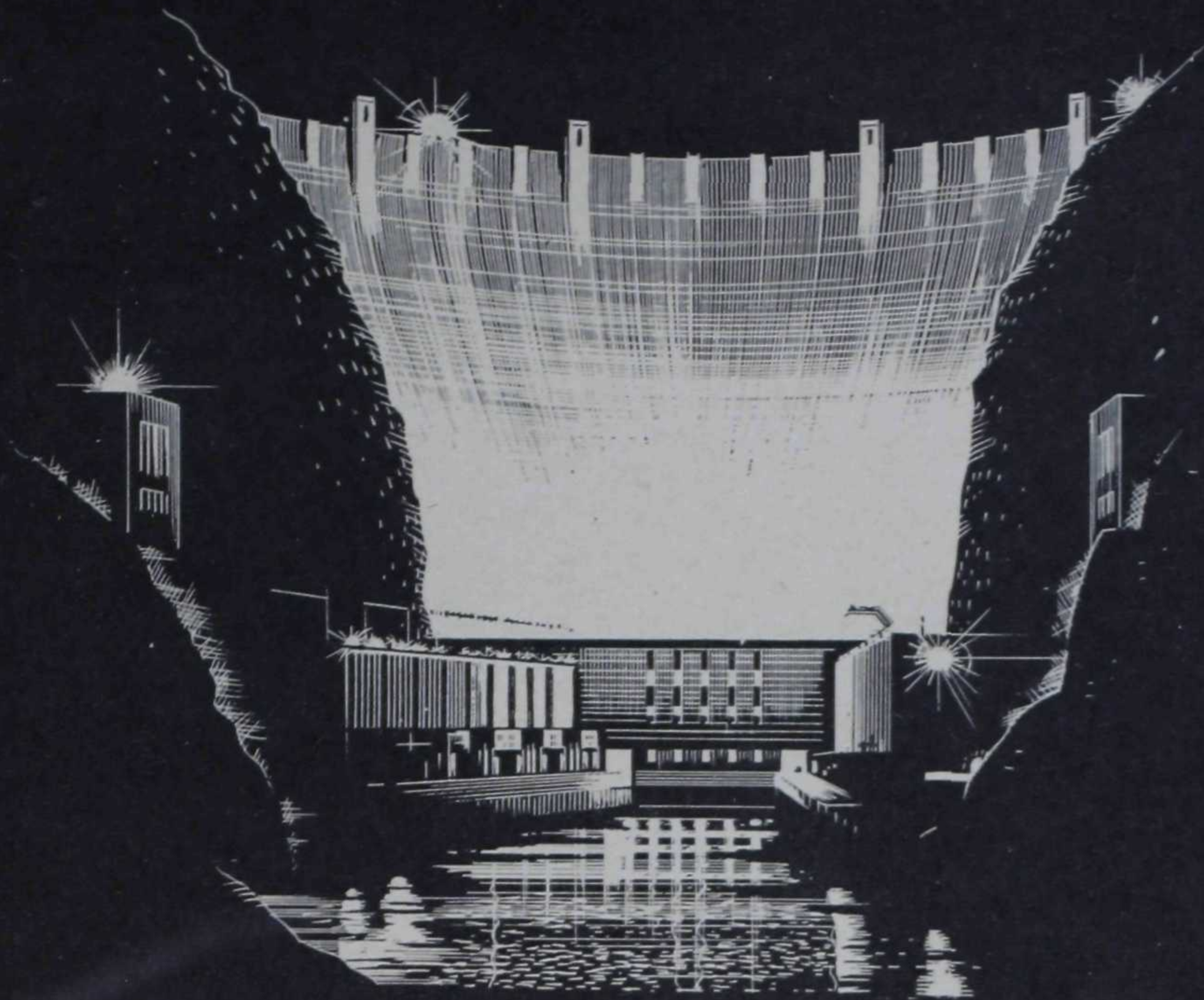
Nationalism may be Fascist

THEN there is the question of nationalism. The America First movement, for instance, emphasizes a nationalism which is a part of Fascism—although, as always, one must make the qualification that it is possible to be nationalist and not be Fascist. Isolationism is the other side of the coin of nationalism. Its basis is the belief that the United States is the best, finest, greatest country in the world; that it can live alone and let the less virtuous and smaller nations stew in their own juice. It presupposes an autarchy that is a feature of totalitarian regimes, and a militarism which in turn calls for a concentration of expenditure and production on the armed forces. These provided the bases of illusory prosperity and full employment in Fascist regimes.

And what about our military men? Again we must put aside any idea that, because a man is a general or admiral in the armed forces of a capitalist country, he is, *ipso facto*, a Fascist. Moreover, we must take into consideration the sincere patriotism and generally good intentions which normally motivate any high army officer.

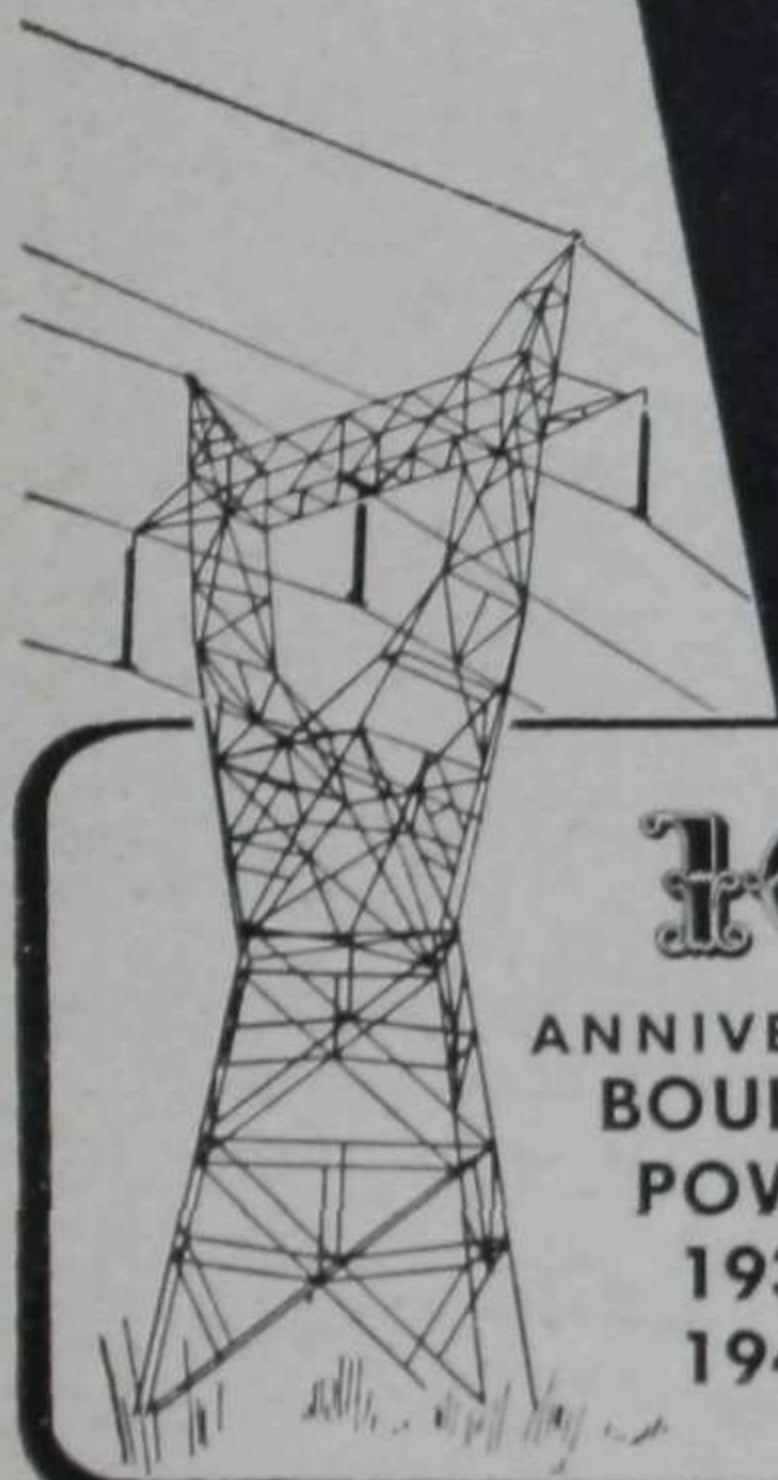
That granted, it cannot be forgotten that militarism inevitably leads to authoritarian, collectivist government. Any state organized for war or concentrating its main strength on preparing for war must suppress the individual freedoms. And, of course, when there is war, the individual goes by the boards and you have at best the voluntary despotism of a democracy like ours or state tyranny and dictatorship.

So it is as certain as a mathematical proposition that when military men grow in power, the state moves toward a dictatorship which, in modern conditions, must take a Fascist form. Spain is the obvious contemporary example of that. The fetish of law and order, and the identification of their welfare



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and beliefs with that of the good of the State, led the clique of Spanish generals to their successful rebellion. The result was, and is, a military dictatorship which could only function as a Fascist regime.

The danger of similar regimes in some European and Latin-American countries is great. The danger in the United States may be slim at present but, should the country become imperiled in future years, either through a clash of East and West or through the disorders brought on by economic collapse, the military men might feel that salvation lay in them. That can happen anywhere. Eternal vigilance is needed in this as in all cases.

Of course, the objective of the onslaughts from Moscow and the satellites is the destruction of capitalism. The Communists, since the adoption of the Popular Front anti-Fascist policy in 1935 (let us forget their lapse in 1939-1941) have argued that Fascism is merely another insidious and dangerous form of monopoly capitalism. It is nothing of the sort.

Fascism enslaved capital, too

MANY were fooled by the backing which big business and finance gave to Mussolini and Hitler. But the industrialists were only backing a winning horse. They sought law and order and thought it lay in Fascism, the opponent of Communism, of revolution, of general strikes, the avowed champion of private property.

It was not many years before they learned that they, too, had been led into servitude. Their brains, industry and money now had to serve the State, a State careering madly toward economic ruin and war. The capitalists were as much victims of Fascism as the common people.

Under Fascism you had a form of state socialism in which the big business men had great wealth and power so long as they played the game. In that respect Fascism differed from Soviet Communism in which the men who ran industries did not have political power and the industries were not theirs but the state's. A certain limit was placed on their earnings and expenditures. Fascist tycoons were real oligarchs, but they were servants of a system, not controllers of it.

Unless one is blinded by pseudo-Marxist propaganda (remember that for Marx a capitalist is one who lives on "surplus value" extorted from his workers while he

himself remains idle) it should be obvious that a man, because he is a capitalist, because he is a big financier or industrialist or landowner, is no more necessarily a Fascist than is a horny-handed son of toil. Either or neither can be—the capitalism or the manual labor has nothing to do with it.


Labels may be false

ONE must beware of labels. The fulminations that take place or come from behind the iron curtain serve a strictly limited policy in which the truth or the facts may or may not be of importance. An opponent of a communist regime, the Communists would have you believe, is naturally a Fascist. All the liberals—the true enemies of Fascism and any kind of totalitarianism—are now labeled as Fascist. In the same way, the western regimes and the business men in them are labeled Fascist, simply because they represent a system which is inimical to Marxism and because the capitalist is on the wrong side in the class struggle.

At the same time it would be smugness and hypocrisy to exonerate all big business men, capitalists and such of the taint of Fascism. Obviously, there is a connection. Monopoly capitalism, to use the contemporary communist term, can lead only too easily to Fascism. That is the lesson to be drawn from Italy, Germany and Spain. When, or if, industrialists use their money and influence to foster movements aimed at bringing reactionary groups into power, or use them to repress the activities of unions, they are clearly on the road to Fascism.

But, in any event, it is not the fact that they are big business men that makes them Fascist; the reactionary and political use of their position might do so. If we wanted to be malicious we could point out that it was Henri de Saint-Simon, whose followers invented the word socialism, who argued that the industrialists alone were capable of governing. He was the real apostle of big business, and from him, through the Saint-Simonians, through Positivism and the "Hero Worship" of Thomas Carlyle, we arrive at Fascism.

We must remember that liberalism is the primary enemy of Fascism and Communism and Socialism. We liberals have become the present day conservatives, and conservatives are always objects of ridicule. That is easy to bear, but the danger is that we may be



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ashamed of descending into the field of battle and fighting Fascism on its own ground. The problem was recently put this way in a debate in the British House of Commons: "whether it is sensible for us in the name of freedom to allow men the freedom to destroy freedom."

Yet an even greater problem is to know where to draw the line. The enemy of individualism is planning of any kind. Once you aim at a design, at control, at conscious, deliberate, reasoned social goals, you are on the road to Socialism, Communism or Fascism. You must tread that road up to a point since in the present complicated state of affairs no other way is possible but, unless your eyes are open and you see where you may be led, it is only too easy to go too far.

The best in individuals

THE school of Adam Smith and of the contemporary admirers of his great work on the "Wealth of Nations," center their faith on the institution of private property as the incentive to bring out the best in individuals. The Marxists (and the Fascists who are the illegitimate children of Marx) take the opposite pole and aim at state collectivism. The liberal tries to strike a balance by granting the minimum of state control and the maximum of individual freedom.

It is easy to scoff at 19th century liberalism, but the ideal that John Stuart Mill, for one, expressed is "On Liberty." Is liberty old-fashioned? It seemed so to the contemporaries of Pericles and Tacitus, and no doubt it was, and there have been many other times in history when, to champion such things as freedom of the individual, the rights of free speech and thought or the primacy of law have been, if not heretical, at least violently partisan. We are living in such an era today so far as international affairs are concerned. Internally, many countries are beyond the pale already; others in varying stages of approach.

The trend is that way everywhere; the danger is ever-present, an elusive, baffling danger, because we can fall into the trap with the best of intentions and the highest ideals. Do not forget Huey Long's priceless remark, that it would be possible to establish Fascism in the United States, only it would have to be called anti-Fascism. Liberties are lost gradually. The call is for awareness, understanding, vigilance.

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Labor Relations Go to College

(Continued from page 43)

that we accept, at the outset, that unions are not businesses. They are political by nature. They are movements. They are causes. They are "right-changing organizations," while a business exists within the framework of established rights. Unions depend upon the approval and support of membership, with each action subject to review, complaint or censure.

A business, on the other hand, has no membership and expects little interference from stockholders as long as it carries on as usual. The president of an automobile corporation once told me, "I'd never last if I had to stand for election every year."

But, by the same token, management is not a union. It cannot satisfy itself with crusades, but is tied to the function of profitable production.

To get along together it is not essential that either labor or management change its stripes.

"Neither party," says Bakke, "can hope the other will be recreated in his own image."

Finally, the Yale people would have us see that both management and unions are primarily interested in survival. Yale brushes away the banality which says, "C'mon boys, labor and manage-

ment really have the same objective—a fuller, richer life for everybody. Let's bury the hatchet and start producing like fury."

What is labor peace anyway? Bakke likes the late William Graham Sumner's definition—"a state of antagonistic cooperation."

It is not, Bakke insists, the legitimate antagonisms which threaten the whole temple of free enterprise.

Only when these are inflamed with fear and suspicion, do labor and management tend to threaten one another's survival—and that means economic pillar shaking. Each side quite rightly says, "Production yes—but not over my dead body."

Each respecting the other

LABOR peace, in what Yale's savants consider the mature view, results when labor and management pursue their own interests, each respecting the goals of the other and adjusting differences by methods which will not threaten mutual survival.

The Labor and Management Center holds forth in a wing of Yale's Institute of Human Relations. Bakke presides over it in a small office stocked with well-caked briar pipes and sharp yellow pen-

cils. He likes to work in a maroon corduroy jacket and slacks.

Yale got its first shove into the labor-management melee in 1937 when Bakke, a former instructor in sociology, was moved into the economics department. He told university officials that the change was okay with him provided he could take economics out of the cap and gown and garb it in the overalls and blue serge of the workaday world.

Bakke had never been an academician. He was born in 1903 in Onawa, Iowa, scion on his father's side of a hardy Norwegian clan that had been in this country since 1865 and on his mother's side of English stock in America since 1630. His father was a shoe merchant and Bakke, while attending Northwestern University, sold shoes in spare time at a Chicago chain store. To win his doctorate at Yale he wrote a thesis on unemployment insurance. Eschewing the libraries' musty stacks, he went to England and lived on the dole for nine months. Living in Greenwich digs at 17 shillings a week, Bakke became a Doctor of Philosophy the hard way.

He joined the Yale faculty in 1932, was lend-leased to Harvard in 1936, and returned to Eli's economics department the next year. His insistence on wedding the University to reality brought a nod and a blessing from the higher ups, but no money. He managed, however, to interest Yale's



A. B. STREET—NESMITH

Table manners at a labor-management dinner. It is perfectly proper to point when arguing a moot question. From left to right: Golden, with hand raised, Bakke, Derby and Robertson

Institute of Human Relations in his long-term plan for a virile labor-management program and, under the Institute's wing, launched two preliminary research projects.

Joint studies begun

IN 1943 he obtained a fellowship which permitted him to bring five labor and five management people to Yale for joint studies. Just after this trial run the Government called Bakke to its War Labor Board, where he was cochairman of the Appeals Committee. Late in 1944 the University decided to set up the Labor and Management Center as a separate entity. It began functioning in December, 1944.

Supervising the Center is a nine-man policy committee. Three are from Yale, three from management and three from labor. The three representing Yale are Edgar S. Furniss, the Provost; Laurence G. Tighe, the Treasurer; and Bakke. The three management members are Robert F. Black, president of the White Motor Company; Colby M. Chester, chairman of the executive committee of General Foods Corporation; and Harry L. Derby, former president of the American Cyanamid and Chemical Company.

Organized labor is represented by Clinton S. Golden, assistant to the president, CIO; Robert J. Watt, international representative of AFL; and David B. Robertson, who is president of the Brotherhood of Locomotive Firemen and Enginemen.

From the beginning, Bakke has insisted that an ivory tower approach to labor problems would not do. He has not only set up research listening posts in industrial centers from Detroit to Charlotte, N. C., but also has brought in labor and management men from the workaday world.

During the spring term, 85 workers and managers, from screw machine operators to corporate executives, sat elbow to elbow in Yale's walnut-paneled classrooms to study, mainly, the art of getting along with one another. Classes were held four evenings a week and drew students from factories and businesses in Connecticut and New York.

Starting next spring, students

will live on the Yale campus, taking leave from their jobs to work full time at the Labor and Management Center. This will make it possible to bring in top union and management people from as far as California.

Bakke puts great faith in the verbal give-and-take in these classes. The Center's basic theory has been chiseled out of research findings, but at these classes the facts are ground smooth. The science of the academician has been burnished on the emery of practical experience.

During my stay at Jonathan Edwards College it was revealing, if somewhat jolting, to see bricklayers, teamsters, ironworkers and mill hands strolling beneath the stately elms of Yale's campus.

When classes opened in March, management and labor men



"Well, so much for theory!"

formed separate cliques. They sat on opposite sides of the room and smoked their cigarettes in tight little groups during the recess. But by May, with no egging-on from the instructors, labor and management were completely intermixed and it became their boast that "strangers can't tell us apart." The most reliable mark of distinction is that labor men usually take notes with wooden pencils while management men use mechanical ones.

Both Arthur M. Titus, a management man at Sargent & Company, the large New Haven hardware firm, and Al Pacileo, president of the plant's United Electrical Workers local, CIO, attended the classes. They admit to a none-too-clubby relationship in the past, but when

I met them they were lunching together at Jim's Tavern, batting their differences back and forth over "submarine sandwiches" of Italian meatballs with green peppers and plates of pungent soffritto.

Bakke's simple introductory to the students runs something like this: "You are not here to convince the other fellow of your point of view, but to find out why the other fellow feels as he does, to discover the compelling forces which make him act as he does."

Dr. Neil Chamberlain's course in labor legislation could be depended upon to start bull sessions that would overflow into the nearest pub when class was over. I participated in one of these which included Nathan Sherman, editor of *The Union Times*, an AFL newspaper; James D. O'Kane, business agent of the AFL Ironworkers, Local 424; Alfred Koch, personnel manager for the Miller Company's brass rolling mill division in Meriden, Conn.; and George Sabo, business agent of the International Brotherhood of Electrical Workers, Local 660.

"Labor and management relations will improve with age," said O'Kane, as the beers were dished up in an Elm Street tavern. "We've got to get mutual respect and mutual trust. Since we've been getting together at Yale, lots of the mystery and the old-time hatreds no longer exist. You hear doctors tell of taking away the imaginary causes of pain. Well, we're working on the same principle—take away the imaginary causes of labor trouble."

To this Sherman added, "We resent the stereotype phrase that the labor leader goes into a bargaining session with a club to get all he can whether the workers want it or not. I think the management people are learning in our class discussions that our position is as realistic as theirs. I've got to admit that I see management in a different light, too. I used to think management's only policy was to dig its heels into the ground and say no. Now I can see the forces that compel management to take the stand it does."

"When you get to that point, it's a darned sight easier to iron out differences," Sabo put in.

Koch, the management man, made the point that bargaining

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sessions give a distorted picture of both labor and management. Representatives see each other only in relation to points of conflict.

"But when we get together in class discussion," he declared, "we see the other fellow's sincerity and the background of his position. I heard one labor man discuss the value of the strike as a weapon and, believe me, I could see it really meant something to him."

In 1943, when Yale staged a trial run of labor-management classes, Bakke noticed that a clique of students, some labor, some management, were having beer sessions regularly. When he went to one himself, he found they were setting up a new factory in New Haven—hypothetically. But in this mythical setup, labor and management had switched sides. Bakke found the men working out a contract with labor looking out for management's interests and management guarding the rights of the working man.

To add something of the flavor of the pipe-puffing confabulations of Cambridge, British-educated Ernest Dale, a member of the Center's teaching staff and economist for the American Management Association, usually takes some of his management and labor people over to meet Yale undergraduates after each session. Here, instead of beer, cold milk and crullers are served.

At a session I attended in the quarters of one of the fellows at Jonathan Edwards College Dale brought from his classroom Joseph P. Cleary, business representative of the International Brotherhood of Teamsters, Local 145, and Chester J. LaRoche, New York advertising man, formerly president of Young & Rubicam and vice chairman of the American Broadcasting Company.

An Old Blue, LaRoche felt quite at home. To the crew-haircutted undergrads in their white canvas shoes, he said: "We're moving into an era of human relations. The art of today is the art of getting along with people."

To which Cleary added: "You can't get that without education. Never mind harping on your own point of view all the time. Learn the other fellow's. I'm a labor man and I say most of our trouble is with ignorant employers. Some of them haven't the vaguest idea what we're trying to do—they only know they don't want any."

In the give-and-take that goes on in class discussions, it isn't unusual to find labor or management men forgetting what side they're on and starting to tout the other fellow's cause. In the class on wages conducted by the Center's associate director, Dr. Lloyd G. Reynolds, I heard a management man plead for labor's right to share in profits, and a labor man inveigh against unreasonable demands that tend to force a business to the wall.

Arguments are vigorous

BUT, sparing the Center from the ickiness of a love fest, there are plenty of forensic pugilists on both sides. Albert Vigneault of the International Brotherhood of Electrical Workers won't let management get away with a single sieve-like argument against labor. And Philip Bernstein, a personnel man for the Winchester Repeating Arms Company, tags labor out with facts and figures the minute he catches it off base.

Amid the stuffed menagerie of mountain lions, wild boar, and bison at Winchester's New Haven office, Bernstein related: "Sometimes I go to class resolved to keep my mouth shut. But when some labor fellow hurls a phony charge at us, I've just got to get up and tell him it isn't so—and prove it."

An amiable plumber shared Bernstein's desire to get into no arguments. He had in mind the time-honored watchword of the plumbers' union, "Keep your pipes open, your drains clear and your traps shut." But, after listening to management's vociferous complaints that federal legislation protects unions but doesn't protect business, the plumber got to

his feet and said: "Sure, we have laws against shooting deer but no laws to prevent deer from shooting people!"

In Bakke's own class on collective bargaining and unionism, he encourages such forthright statements by pausing at points of irritation and asking: "Now what do you labor fellows say to that? . . . What do you management fellows say?"

In case of an angry impasse he'll remark: "There's no getting away from the headaches in this business. Let's not expect magic but keep digging. You can't deal with the other fellow just on the basis of what he says. Keep trying to find out *why* he takes that position—what's back of it—does it click with the goals he's after, the resources he has to work with, the kind of a job a man in his position has to do? You don't have to agree with what he says, but if you want to react intelligently and successfully, you will have to know why he said it. And above all don't question his sincerity and integrity until you've exhausted every other possible explanation."

William McKeehan, vice president of the J. Walter Thompson Company and one of the Center's most avid students, places this red apple on the teacher's desk:

"Bakke is going to get to the bottom of this labor-management problem. Speaking from the management side, the Yale theories and classes have taught me a lot about the working man's aims, drives, and frustrations. When corporation executives come to me with worries about the private enterprise system, I tell them the American worker doesn't want any revolution. He wants to make progress toward his goals in living.

These are as natural as the goals of management. In Bakke's dispassionate view of labor-management relations there is more hope of honest, scientific solutions than in 17 years of emotional conferences."

On the research side, the Center has six projects under way, each geared to several years of intensive digging and each research director ready to face blind alleys. Bakke heads a project on the reaction of workers, management and the public to trade unionism. Dr. E. William Noland is exploring employers' hiring policies and preferences. Reynolds is probing into union wage policy and labor



mobility. Reynolds, ably assisted by Joseph Shister, is also studying how wages and employment are determined in a local labor market by digging into the reason for the decisions and choices of employers and workers in these matters. Chamberlain is treading the minefields of union encroachment on management prerogatives. Charles R. Walker is trying to find out what technological improvements do to labor relations. In each study, the *why* of man's economic behavior is the goal.

Studying bad labor spots

BAKKE, in the first phase of his project, studied a number of red hot labor situations at first-hand. In the past year he went to nine major centers of industry, including Detroit during the General Motors strike and Pittsburgh during the steel strike. He talked to 60 top labor men and 60 top spokesmen for management. He collected as groundwork a lineup of the gripes, grievances, philosophies, fears and hopes of both sides.

Prominent in his findings was anxiety about the future. A typical management expression was: "It is not so much what labor's demand is now, but where will it all end? Every year it is something new. Will management end up by being employees of the union?"

A typical union rebuttal was, "The boss has his job and we can't do it for him. He's got to have enough free rope to work with. But if he starts using that slack to hang the union—then we just take the rope away!"

But behind these all-too-obvious survival fears, Bakke has found a promising awareness.

"Thoughtful labor leaders," he reports, "realize that if they expect management to be interested in union survival they must, in turn, demonstrate an intelligent interest in the survival requirements of efficient management."

Noland's research into hiring preferences has carried him through more than 100 metal products factories in the New Haven area and some 75 textile mills in Charlotte, N. C. Assisted by Ellen M. Davies, former personnel director for the Chase Brass & Copper Company, Noland plans to cover 500 plants including samplings in Minneapolis, Pittsburgh and possibly a city or two in the West.

Analysis of his New Haven data shows that employers rate 16 major employe qualifications in the following order of importance: character, sex, personality traits,

physical qualifications, particular work experience, education, color, age, general work experience, American citizenship, family status, military service, place of residence, political philosophy, national origin and religion.

Riding with Noland through Carolina, I visited several mills and sat in on the long, painstaking collection of data. Some of the hiring practices made curious footnotes.

One employer said: "I want to know how much a man saves. If he doesn't save I don't want him working for me." Another remarked: "I like a worker to come for a job alone. When two or three come for jobs together I don't hire any." A third declared: "I want churchgoers in my plant. They're more sympathetic to their fellow workers. Doesn't matter if they're Protestant, Catholic or Hebrew—just so they've got religion."

One employer spent a good deal of time telling Noland why he preferred married men, exercising the full breadth of his Dixie vocabulary on the irresponsibility and general undesirability of single fellows. That evening he phoned to apologize. He had just learned Noland was a bachelor. Though this failed to ruffle the calm detachment of the Yale scientist, he admits to smarting over the southern gentleman who, on introduction, asked: "Yale? Where's that?"

Developing wage scales

REYNOLDS, in his research on wages, has set up listening posts in New York City and Pittsburgh, the listener being Jane Pierce Metzger, a Phi Beta Kappa from Smith College. Ensnared in the Union Square office of the Textile Workers Union of America, CIO, Miss Metzger has gathered the dope about the establishment and extension of a union wage scale in the textile industry.

Clambering up a stepladder to the ceiling-high shelves in the Union's file room, she pored over dusty old contracts and agreements, wage reports, and union journals. Finishing this job, she turned to Pittsburgh and the steelworkers. Before Reynolds' project is over he will have similar data, plus a pile of his own interviews, covering unions in the paper, clothing, rubber, coal, and automobile industries.

Clint Golden, a policy committee member, views Bakke's work as a continuation of what the steelworkers and their Pittsburgh bosses started at McKee's Rocks back in 1938. For labor riots, the Rocks



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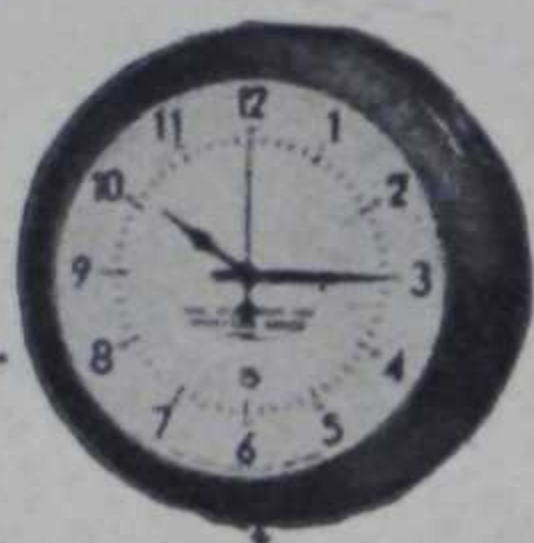


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were the most notorious section of Pittsburgh. When, in hopes of stemming the bloodshed, the union set up a school for labor problems, hotheads were quick to charge that management was "trying to break up our show."

"You outnumber them. Why not invite them in," Golden counseled. The result was not one, but many sessions, with bosses and workers threshing out their problems under the same roof. When the school finished its run, the bosses gave the workers a banquet.

"Yale is doing this on a broad scientific basis," Golden declares. "Behind it all are the wise words of the sages: 'To know a man is not to fear him'."

Research is necessary

IN Cleveland, another of the Center's policy committee, Robert F. Black, president of the White Motor Company, regards "research without emotion" as the key to Yale's enterprise. "In the old days," he declares, "management had four main points to worry about—finances, a good product, good manufacturing methods, and good distribution. When one of the four points went bad, we didn't call on the Constitution or Congress. We just pitched in and found out what was wrong.

"Labor relations is now a fifth main point in free enterprise. If we have brains enough to be managers, we must have brains enough to recognize the human elements involved. We must develop an *attitude*—without emotional angles. That means recognizing our problems, analyzing them scientifically and proceeding toward the calm and intelligent steps that will solve them."

The real peril to American economy, in the Center's collective view, is not that labor and management are irreconcilable and must eventually beat each other to a bloody pulp. The danger is that failure to face their differences realistically may bring strife on a level of fear, hatred and suspicion.

Knowing it has the load of Atlas on its shoulders, Yale hopes to provide patterns of reality that may water down some of the flaming emotions. It doubts there can be a solution without a realistic appraisal of the problems. Neither labor nor management wants to be like the March Hare, who, after trying to fix the Mad Hatter's watch with butter, could only lament his failure in the words, "And it was the *best* butter, too, the *best* butter."

Citizen, Heal Thyself

(Continued from page 38)

of free men. Their performance, good and bad, reflects those who wield the instruments. In the aggregate their failures are our failures, even as their virtues are our virtues.

In attacking any one group, or groups severally, we are therefore begging the question. So long as the ultimate power rests with individuals, the responsibility, too, must rest with individuals. That is the price of freedom. There can be no escape, no evasion. Responsibility can be renounced only by renouncing freedom itself.

I submit that, if we want an honest explanation for that frustration in the midst of potential plenty, we shall do better to search our own conscience than to search the other fellow's conduct. We shall find that we have failed as a nation precisely to the extent that we have failed as individuals.

Characteristics of America

LET us consider the attributes of Americans which distinguish them from most other peoples. Let us try, if we can, to identify the inner force that has made America different—that has given our social, political and economic order its special flavor.

One difference is obvious. Outsiders always comment on it, in praise or rebuke. Our own leaders treat it as an object of particular pride. I refer to the great emphasis we always place on individual enterprise.

A normal, uncorrupted American makes his own decisions just as naturally as the slave or the totalitarian robot leaves them to higher authority. We take it for granted that men will strive and risk, making fortunes and losing them; that new industries will flourish endlessly; that the limits of improvement and progress can never be reached.

To more easy-going, fatalistic peoples, conditioned by a history of class divisions and tyranny, this American driving force seems the eighth wonder of the world. From the days of Washington to those of Truman, foreign visitors have exclaimed, sometimes critically, over our "go-getting" ways.

The spirit of enterprise, of challenge and reward, is at the core of American achievements. It is at the core, no less, of our social and political ideals. Formulas like "getting ahead in the world" and "doing things in a big way" sound right and natural to American ears.

I am not talking merely of enterprise in the narrow economic sense. It happens to be a quality so pervasive that it shows up in all departments of our national life. Neither am I talking only of the enterprise that pays off in economic terms. Its rewards take infinite forms, and money is only one of them.

There are men and women in obscure laboratories whose ambition is fed by the hope of reading a scientific paper before a group of their peers. There are others—in the ministry, in education, social work, government, even in trade unionism—who measure their success by the help and comfort they bring to fellow men, by the deep consciousness of service rendered.

But all of them are typically American, subject to the same energetic drive of enterprise. It does not seem to them in any way discreditable to seek recognition and promotion. The clergyman wants a call to a larger church. The lieutenant strives for a general's star. The college instructor covets a professorship. The scientist sees himself in a great new research foundation.

Each of them is determined,



"I hope your father remembers to look at the hot water heater before he comes up"

American-wise, to do his job a little better than anyone else and to "collect" the honors and emoluments of his exceptional efforts.

That brings me to another deep-rooted American attribute, one that outwardly seems to contradict the urge for enterprise but in truth is inseparable from it. I refer to a conscious dedication to the public interest—to something larger and deeper than a man's private advantage.

Seeking self-improvement

UNIQUELY among peoples, Americans do not feel that they must renounce their native impulse to self-improvement in order to serve the common weal. On the contrary, it is their conviction that the public welfare is implicit in the kind of individual enterprise and individual success worthy of a free man's best energies. On the basis of their long national experience they deny the assumption that self-interest and public interest are necessarily in conflict.

The Communist and collectivist generally will deny this. They will tell you that the two impulses cannot be reconciled; that one or the other must be ruled out. All human initiative, they insist, must be entrusted to a central authority geared for the good of all.

They are profoundly wrong. Even in Soviet Russia, the most totalitarian of collectivist societies, it has been found necessary to restore some types of personal incentives and individual rewards.

Our advocates of big government will assure you that the public interest can be served only by setting narrow limits on private activity. Their claim is as false as that of the collectivists. They ignore the fact that such paralyzing limitations kill the elements of dramatic venture and dramatic growth which are essential to the fullest expression of the American spirit.

The rugged individualist, too, will be heard from in this debate. He will urge that we return to the pristine doctrine of "economic man." Millions of people pursuing only their selfish interests, contemptuous of the public, will balance one another and will thus unwittingly promote the general welfare, according to this doctrine.

The argument is closer to

American tradition. But it is an oversimplification. The pure-and-simple "economic man" exists only in the imagination of the rugged individualist. In real life there have always been rules of the game, as well as social and legal brakes on man's economic behavior.

Besides, it is much too late to try the "economic man" theory. Our setup is too complex for his undisciplined nature. When I was a boy, the Democrats were for free trade and the Republicans for the tariff. The saying then was that the Democrats won all the arguments and the Republicans won the elections. Even thus the rugged individualists win all the arguments but reality wins the elections.

Forgetting responsibility

THE QUALITY of American life in the past year, we agreed at the outset, has left us with a sour aftertaste. The much-advertised faults of the various groups blamed for this fact are real enough. But I believe they are symptoms, not causes—symptoms of a drift away from the twin American concepts of individual responsibility and devotion to the public interest.

Can it be that we have been in some degree touched by the infection of totalitarian thinking which has ruined so many other countries? Certainly there are too many Americans who would model our national household on an efficient prison house, in which the inmates are guaranteed three meals a day, a roof over their heads and continuous work.

Too many of us have forgotten the ancient pride in hard work, in the adventure of chance-taking, in the thrill of reward for worthwhile effort. There is a sad scramble for unearned advantage and shortcuts to power across the bodies of one's neighbors.

What is this strange new emphasis on "rights" rather than duties and equal opportunities? People seem to have forgotten that the right to a living wage is inseparable from the duty to work and produce. There no longer seems to be any shame in accepting payment for work not done, for not planting, for not reaping.

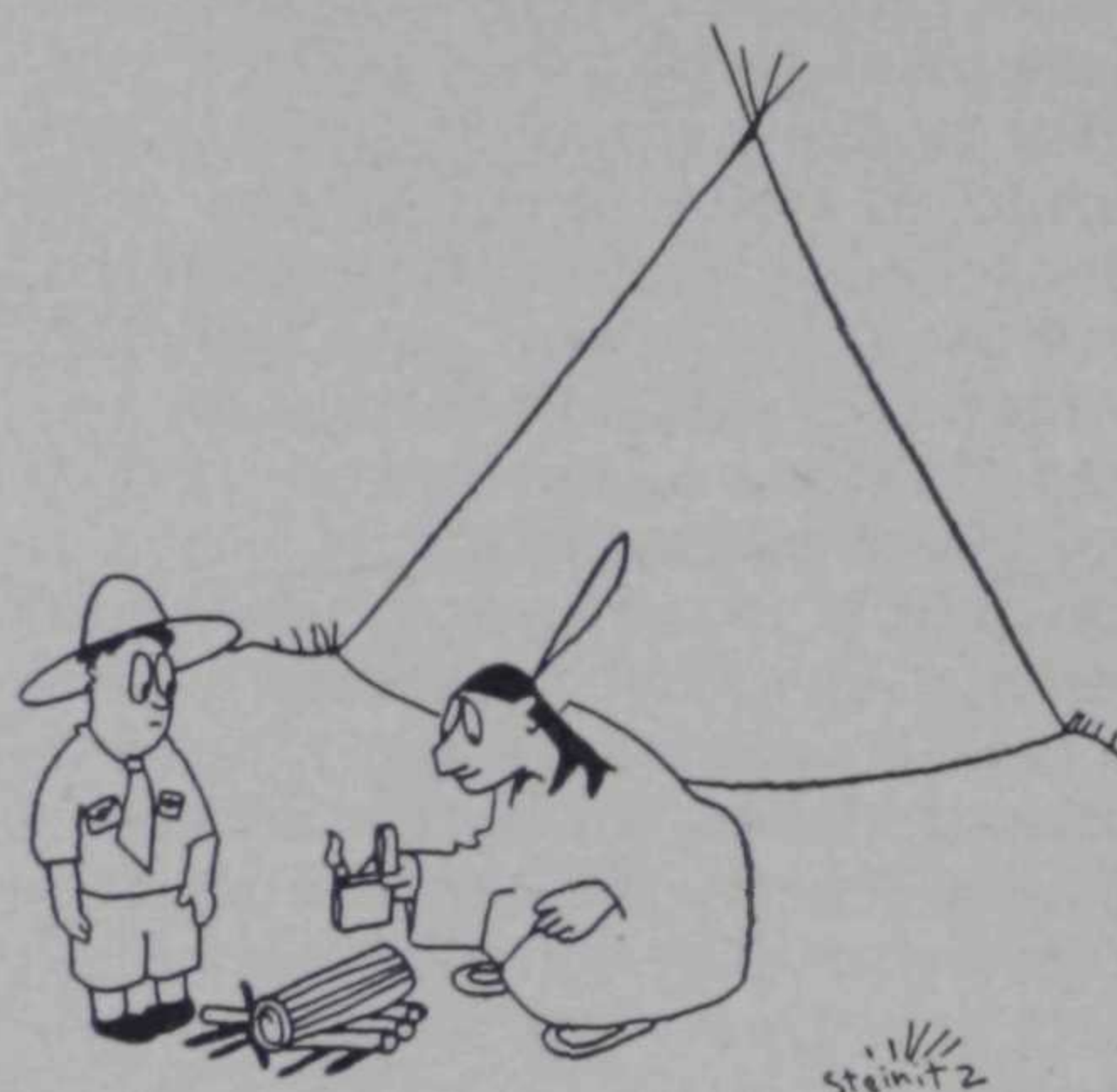
Above all, there has apparently been a serious decline in that sentiment of personal responsibility for the public welfare. Its revival and its translation into everyday living seem to me the most vital needs of our nation as we face the challenge and the opportunity of a new year.

I do not mean that the head of a corporation should start his day briskly by rubbing his hands and muttering, "Now let's see—what can I do today in the public interest?" The farmer need not lay out his south-forty acres earmarked for the public weal. Nor need we require the union leader to give prayerful consideration to the general welfare before mapping his strategy for next year's contract.

Nothing so mawkish would last 24 hours under the weight of living realities. Yet there is a middle ground of common-sense behavior: a synthesis of individual ambitions and community interest.

We can each of us recognize the truth that selfishness is a species of short-sightedness. Whether in business or trade union strategy or public life, it is self-defeating. We can recognize that the "wise guy" is no substitute for the wise leader.

In this country we can, and must,



develop a higher respect for law and order—a willingness to achieve our beliefs or desires by playing the game as teammates.

The management of a business that clips the coin of honest merchandise, or honest service, or decent conditions for its personnel, undermines at once its own health and the health of our country. The business conscience that allows one to fatten on the distress of a competitor or the emergencies of the consumer weakens the whole foundation of free economy.

No place for jungle law

I KNOW a business man who refused to buy materials at a price below cost of production. He insisted on paying a fair price. That was the kind of integrity and responsibility I am trying to suggest. This man knew that, in hurting a colleague in his industry, he would be

poisoning the air all free enterprise must breathe.

Sensible business leaders know that the law of the jungle has no place in a complex economy like ours.

Policies restrictive of competition are sure to boomerang, whatever their immediate advantage. In business, as in civilized life generally, there can be no stability without some moral law and compass.

The farmer knows perfectly well when he is taking a chance for which he must pay if his plans miscarry. He knows also, or can find out, when it is fair and in the public interest to accept government aid.

The leaders of veterans' organizations cannot honestly confuse the sound work of veteran welfare with pressure plans and Treasury grabs and special privilege. In the measure that they defy public welfare for selfish reasons, they destroy the very civilization for which they staked their lives.

The sensible union leader, too, recognizes that labor power used recklessly and in contempt of the public must react against the whole labor movement. He knows that there is only one source of higher wages and living standards—production. Rackets remain rackets even if disguised as contracts.

Rights are not licenses

LABOR should acknowledge that there are limits to the right of strike, as to all democratic rights. That limit is reached long before a great city is thrown into total darkness or forced to walk or threatened with food shortage. It is certainly reached when men, in the name of their job, do injury to the great public which makes the job possible.

I could trace the same principle through every phase of American life.

The public stake can and must be protected. And the most dependable basis for that protection is not in coercive laws. It is in a sharpened awareness of personal responsibility on the part of all individuals in our scheme of life.

Unless we muster the moral fortitude to regulate ourselves, society inevitably will step in to do it for us. That holds equally true for big business and little business, big unions and little unions.

When we study the story of civilizations that have flourished, then withered and died, we find always a series of events in which the in-



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Contrary to popular belief, the health level of farm people is well below that of city people. For example, in rural areas, infant and maternal mortality are from *one-fourth* to *one-third* higher than in the cities. And during the wartime draft, physical defects alone rejected farm boys at a higher rate than city boys!

The reasons for this are basically economic. Rural health services are limited, primarily because the income levels of rural areas are far lower than in the cities. Before the war, there was only *one* doctor for every 1700 people in the country,

as compared with *one* for every 650 in the city. Today, hundreds of rural counties have only one physician to 3,000 or 5,000 or even 10,000 people! Equally significant is the shortage or complete lack of dentists, nurses, hospitals—*every* type of needed health service. This *is* serious . . . serious to you, as a businessman!

Rural health is not simply a community problem. It is the nation's problem. We have no ready-made solution to suggest. The best solution will come from the active thinking and interest of many people. You, as a businessman, can and should take an immediate personal interest in this problem. The health services and facilities of Rural America must be improved for the good of our country's economic health.

★ ★ ★

In the interest of American agriculture, its people and their problems, this message is contributed by . . .

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dividual surrendered his feeling and his duty of personal responsibility. It is thus also that modern totalitarian states have come into being.

It is inadmissible that, in a land as blessed as ours with the bounty of nature and human resources, we should ignore these lessons of the distant and the recent past. Americans have never said, "These problems are too much for us. Let someone stronger take over and relieve us of deciding for ourselves." They must not say it now.

Our system is more than a way of making a living. It is a way of life. And a way of life is meaningless without nobility, without dedication to a common purpose, without a moral foundation. We must put a floor of personal responsibility under America's economic structure, a roof of self-discipline over it.

Social ethics

IT WAS Cicero who said 2,000 years ago that the "existence of moral obligation is coeternal with that of the divine mind." He summed up all social wisdom in that sentence. The improvement of conditions for all our people is not merely a matter of economics but a matter of social ethics. We in America deny that the majority of humankind must be forever steeped in ignorance and wedded to misery. We regard achievement for any individual as worthless unless it contributes to the advance of the whole society.

It is no easy thing to be a free citizen. Throughout history the meek and the weak of spirit have run away from freedom, frightened of its obligations. The problems inherent in a free economy are not easy to solve. But solve them we must and shall, because the alternative—a regimented life on a dismal level—is repugnant to us.

Around the walls of the Chamber of Commerce of the United States, graven in the stones of its building, is a quotation from Daniel Webster:

Let us develop the resources of our land, call forth its powers, build up its institutions, promote all its great interests and see whether we, also, in our day and generation, may not perform something worthy to be remembered.

The year 1947 can be one of memorable accomplishments, the year of a new start, if we begin with a sense of individual responsibility to do "something worthy to be remembered."

Mars Arms the Breeze to Kill

(Continued from page 52)

fill the hospitals and nursing homes and claim the services of doctors and nurses until they died, too. The rest of us would linger on and die with less dignity in our homes and in the streets.

This may sound like the substance of a marijuana dream. But after Hiroshima and Nagasaki and Bikini, frenzy has been ruled out of scientific imaginings. This article is not a prophecy that these things will happen, but a suggestion that they are so far from impossible that Major General Alden H. Waitt, chief of the Chemical Warfare Service of the United States Army, had this to say in an authorized statement:

"Our thinking on this subject (the use of toxic agents in war) must now be geared to the possibility of agents which in comparison to the mustard gas and phosgene which we have known in the past are as the atomic bomb to the high explosive.

"I believe that it is futile and time-wasting to attempt to regulate and control weapons. Our efforts should be directed toward eliminating war by statesmanship and the application of political philosophy and the development of understanding and trust between the peoples of the world."

Maintain national defense

GENERAL Waitt is realistic. He continued:

"Until these efforts are achieved it behooves America to continue to lead the world in research and development of means to maintain our national defense. A strong research and development program is our best guarantee of peace."

The use of these new and humane weapons—the case for the humanity of scientific poisoning will be argued out later—need not be preceded by any formal declaration of war. A few of the fuddy-duddy people who will believe in faith and honor and decency—the Americans among them—might write out a declaration of war in the stilted phrases of diplomacy. The cunning nations would not wait. Three weeks before the date decided they would send their agents into the soon-to-be-enemy country with their poisons to start epidemics.

All that would remain to be done would be a slight job of scavenging.

Botulinus toxin is the most deadly poison known to man. It is only a laboratory curiosity at present. Not enough is in existence to fill a teaspoon. A quantity too small to see is sufficient to kill a man. It has been stated that an ounce of it would be enough to kill every person in the United States and Canada.

Gerald Wendt, an authority on the subject, rated as "a sound man"—says that a minute quantity sprayed on the water supply of a city would kill people like flies. The only preventive would be the impossible one of not drinking. It may be comforting to know that death would be painless. Botulinus toxin causes paralysis of the nervous system, without fever or pain. It is the toxin responsible for the disease known as botulism, which thrives in improperly canned foods.



Any biologist who has the know-how can prepare it from the wastes of any brewery. It costs almost nothing to make. Little news has been released about it by the Special Projects Division of the Chemical Warfare Service. But it is evident that a small, bankrupt, desperate nation armed with high-flying planes and plenty of botulinus toxin could wipe out an enemy army overnight. The planes might be shot down.

But tripping devices could release the poison and the defending army would die.

The atomic bomb is the most dangerous explosive weapon that has ever been developed. Other and greater atomic bombs are reported to be in preparation. It is at least a possibility that if another world war were to break out, atomic bombs would be hitched to

rockets and dropped at now unbelievable distances from the home base. German Army chiefs had in mind the development of a rocket which could be shot across the Atlantic. Our great seacoast cities were to be the targets.

The damage done to English cities and towns by the buzz-bombs is common knowledge. But suppose that the Germans had known about botulinus toxin. One buzz-bomb and a bottle of poison would have left London a city of the dead. The great buildings would have remained—the Cathedral and Westminster Abbey and Buckingham Palace—but no men and women or drayhorses or dogs. The war would have ended that day.

The moral, of course, is that war has become impossible. Morals are sometimes ignored by statesmen.

Wars have been profitless

SOME of the military men who have been thinking on these problems point out that, as wars have been fought in the past, no one wins. There is no profit. The Allies reduced many of Germany's cities to heaps of rubble. Now they find themselves confronted with the necessity of feeding the homeless and workless people. They must be watched and guarded for an indefinite period. The towns and factories must be rebuilt if the Germans are to live, and at least some part of the cost must come out of the Allied pockets.

From a practical point of view this is ridiculous. The moment wars ceased to be fought only by armies and navies, and entire populations became combatants, the rules were changed. Every ounce of man and woman and slave power Germany could muster was engaged in the support of her fighting forces.

In the end the net gain was a cataclysmic loss, of course, but until the other nations assembled their manpower Germany's gains were tremendous.

It will hardly be denied that if Germany had had at her disposal today's weapons of poison and disease to be carried by long-range planes or rockets—an American plane recently flew more than 11,000 miles from Australia and tomorrow's planes will be faster and more enduring—her military men would have struck first at the civilians who were producing war materials for the Allies.

The German submarines that did not get into use before the war ended were the finest instruments of the sort ever produced. They



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could travel under water faster than any surface warship could go on the surface. Thanks to sun lamps and other devices, their crews could be kept in good health even if they lay submerged for months.

More efficient submarines

IN TERMS of cargo ship destruction the German supersubs were rated as ten times more efficient than the best submarines used in the second World War. This is not guesswork. We have samples of these ships—the Russians have four times as many as we have, plus the yards in which the Germans built them—the British and French each have some. Their capacity is known.

Equip such a vessel with the means for distributing poison and disease and you have a preview of what may come. No nation will be withheld by considerations of humanity. In the most absolute fact another war—in 20 or 25 years from now, when the scientists have had time to perfect the devices they glimpse now—the winner must exterminate the enemy to win.

At least the winner must kill so many, so quickly, that the benumbed survivors would cry quits.

This is *not* nonsense. It is not a prediction. It is a cold statement of the possibility in another war. Not tomorrow's war, perhaps. The military leaders have not yet adjusted themselves to the new weapons. They are still building big guns and battleships. If the next war could be fought between armies and navies it would be far more practical if the combatants would agree to fight with bows and arrows and long spears and catapults. Soldiers and sailors could be killed in sufficient numbers at less cost.

But the next war will be beamed at the civilians.

It will be, in fact, a more humane war than the first and second World Wars. Men and women who die by being hit with fragments of shells or by being stabbed with bayonets, or left legless on the field to moulder away while still alive suffer damnably. Botulinus toxin will knock them off without pain. They will merely go to sleep. The epidemic poisons will ensure them a friendly coma before death comes.

The weapons they should mostly fear are the lethal gases which are the descendants of the gases used in the first World War. They produce painful burns and retching spells and the like but nothing to

compare with bullet, shell or bayonet wounds. They have a bad reputation because when the Germans used gas during the first World War, the British were caught unawares—which they should not have been; they had gases of their own—and made bitter complaint before they took to using gas themselves.

But gas will be outmoded if the next war—if and when—comes up to specifications.

It was not used by the Germans in the second War for a very practical reason. We had more gas than they had. Our gas was at least as killing as their gas. They could only have used it against the Allied armies in the field, but if they had once let down the bars the Allies could have drenched all Germany. No doubt they would have gassed the Allies at home—thereby crippling the civilian population—but they would have lost by the operation.

On our side we were no doubt moved by the horror of gas expressed by the humanitarians, although gas is in fact a more humane weapon than the ones in actual use. Nor did we wish to injure the civilians except as their hurts were inevitable during the process of property destruction. It may be different in the next war—if and when. No international agreement could be relied on to prevent the use of the new and terrible weapons. As General Waitt says:

"You cannot control a weapon of war."

Preparing for bigger wars

IT IS probable that every major nation and even some of the minors have been conducting research on the use of poison and bacteria. It is known that Germany and Japan were active before the war ended.

The Japanese were making an anthrax poison, although they had not perfected it for use. The Russians took possession of the factories in which these anthrax bombs were being made and presumably removed the equipment to Russia.

The problem of use centers about the method of distribution, which has not yet been completely solved. No one doubts that it will be. In order to be effective the poisons and bacteria must be diffused over a wide area in the form of tiny droplets, and this is only a matter of applied mechanics.

A few years should do the trick.

Ten Years of Job Insurance

(Continued from page 49)

immediately becomes eligible for compensation on the basis of his previously accumulated credits at the closed plant.

Deciding when a person is unavailable for work and no longer eligible for compensation is a problem for the new Interstate Conference of Unemployment Compensation Commissions. The latest report of the Social Security Board says that 95,000 men and women, about one eighth of the total receiving compensation, now live outside the states from which they are receiving compensation. Leaving the state where they formerly worked, they registered with the state employment service in their new residence. That state became the agent for the state where they were employed, reported the claim and, if it was in order, each applicant receives a weekly check—by mail. He does not report at any office to get it.

Money paid in other states

THE agent state has a moral obligation to find work for the unemployed individual and relieve its sister state from further payments. Suitable jobs may be lacking in the locality and the agent state may not be overly zealous. Paying states distributed around \$45,323,000 in other states in the past six months. Such paying states as Michigan grumble about interstate compensation, but they do not justify stopping payments because a man does not make a cross country return trip to get a proffered job which may not be there when he arrives. The solution may be to keep paying until the benefit period expires.

Though examiners of a state's unemployment compensation service have the final decision, the individual has much to say about what is a suitable job. Refusal of a suitable job disqualifies a person from further compensation in Alabama, Delaware, Iowa, Nebraska, New York, Ohio, Oregon, Pennsylvania, South Dakota and Wisconsin and suspends payments from one to 16 weeks in other states.

To be suitable, a job must be in accord with a worker's skill or profession and be at the prevailing pay in that locality but not necessarily what he received previously. Work in a factory involved in a

labor dispute is not suitable and a seven-day week is optional. The job must be within reasonable distance of the worker's home, some boards fixing 45 minutes' travel each way as reasonable.

What is suitable for one person or one state may not be for another. Night work may not be suitable for a mother with children or sickness in the family. A job may not be suitable for individuals who are allergic to dampness, drafts, certain odors, heavy lifting, standing on their feet, eye strain or other peculiarities. The person referred to a job has the right to investigate what is offered and to continue receiving compensation if the state office agrees that it is not suitable.

The prospective employer has the same right to decide whether the applicant is suitable. If he is hired and later fired, the employer's tax for unemployment insurance will increase. That makes this the favorite "out" for those who enjoy riding as long as possible on unemployment compensation. A sloppy or overdressed appearance, surly or stupid answers or apparent incompetence—the latter is often true as many applicants overrate their skill to the employment service to receive higher pay—can convince a personnel officer that the applicant is unsuitable.

Standard of suitability

IN most states the level of suitability drops with the sands of time. In the stricter ones an unskilled worker may go along for six weeks rejecting work which does not meet his standard of "suitable." For the semi-skilled worker, it may be eight weeks, and for the skilled, ten weeks.

After that the office gradually lowers the standard until a final ultimatum: "Better take the job as unemployment compensation is ending."

The Social Security Board reports 1,027,821 persons in line for compensation under these qualifications on the week-end of November 2. Of these, the claims of 795,888 had been approved by the examiners, most of them receiving payments. Newly filed claims were 141,438, the balance in the waiting period. Balanced against new claims was a comparative number, exhausted either by job placements or by running their time. Little

relative change has been shown in later weeks.

Of an estimated 42,500,000 individuals who worked in covered employment in 1945, slightly less than 35,000,000 are eligible for unemployment compensation. The Social Security Board also figures that three fourths of the workers in the United States are eligible for benefits.

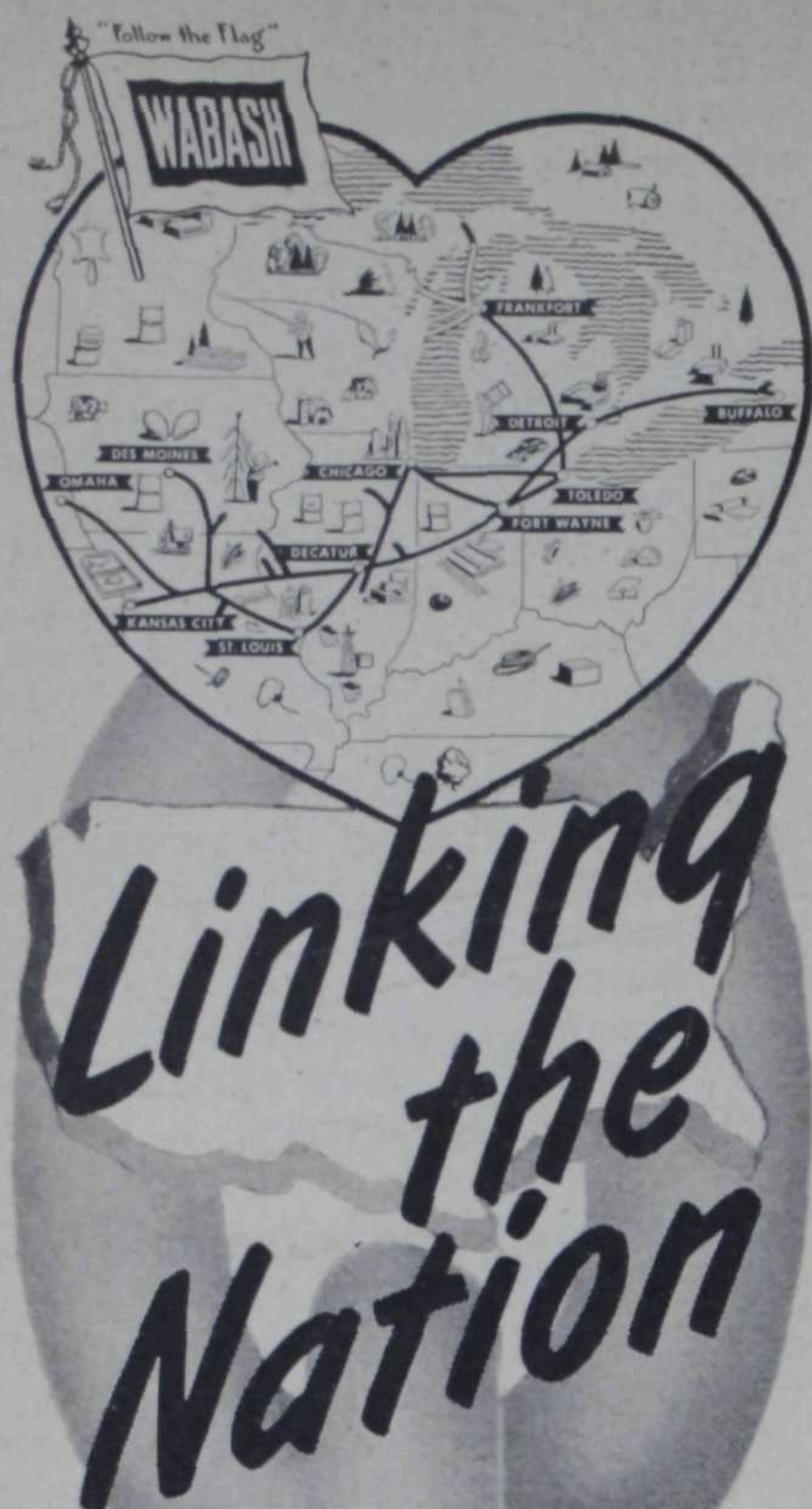
Comparison of the Board's total for workers covered by unemployment insurance with the Bureau of Census total for the civilian labor force in the United States also shows that 73 per cent of the latter are protected. As farm and household workers and other occupations are excluded from unemployment insurance, a similar comparison shows 93 per cent of the workers in non-agricultural occupations are covered.

More benefits than unemployed

ATTENTION is frequently called to differences between figures of the two government agencies—those of the Social Security Board show that the numbers receiving unemployment compensation exceed by several hundred thousand the Census Bureau estimates of the total unemployed. The Board tabulates its figures from reports received from its own offices each week-end. The Bureau compiles its totals from samples taken in typical areas in the second week of each month. The Bureau does not tabulate as unemployed: casual workers, persons partially employed, temporarily out of work or on strike. In brief, it considers only those who are looking for work as unemployed. An individual is not obliged to "look for work" to be classified as unemployed by the compensation services or to receive payments.

The financing which built up the compensation fund has differed in each state. The fund has been raised by separate state taxes and the administrative expenses by a federal tax. The latter is a levy of 3/10ths of one per cent on the payrolls of all employers of eight or more persons, limited to \$3,000 in individual salary or wages.

The state taxes to provide unemployment insurance have few points in common and every legislative session makes more changes. Except in Wisconsin, which pioneered unemployment insurance in July, 1936, and Michigan with three per cent, all states originally had a 2.7 per cent tax on employers' payrolls. Each state has its own definition of what employers



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St. Louis 1, Missouri

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are liable for taxes according to weeks worked, wages paid and number of employees.

At present, 16 states tax an employer with a single employee, 22 states exempt employers with less than eight and the remainder pick intermediate numbers. The limits are modified further by state variations—whether the employer is in a city of 10,000, whether his payroll is \$250, \$500 or \$2,500 at any time in a year, if the required number of employees work in ten different weeks or in 13 consecutive weeks, if each of them earns \$50 in three months or any of them earns \$78 in a year, and so on indefinitely.

Trying out merit ratings

IN 1940, three states modified the flat 2.7 rate by adopting an experience or merit rating percentage for employers. Under this, an employer's tax rate is reduced as the number of his former employees receiving unemployment compensation decreases. The purpose is to reduce the tax burden for the employer who does not discharge any, or only a few, employees and thus discourage a big labor turnover with subsequent drain on the unemployment fund.

It also encourages an employer whose individual tax rate will be affected to protest against granting unemployment compensation to a former employee who is not qualified. The state notifies the employer when an application is made, but picking the employer is a different puzzle in each state. Most states put the black mark against the employer who paid the most wages to the applicant during whatever happens to be the base period. Other states prorate it among all employers in the period, even if they are in different states, or limit it to the last employer, or to the first employer, or to the one eight weeks preceding.

At present, Alaska, Mississippi, Montana, Rhode Island, Utah and Washington are the only "states" which continue the flat 2.7 rate. It has been reduced in some "states" to zero for an employer with no ex-employees receiving compensation. Last year's average rate for the entire country was 1.6, even lower when limited to states with experience rating. It varied in those states from 2/5 of one per cent in the District of Columbia to 2.2 per cent in Tennessee. More than 91 per cent of all employers in the country now have reduced rates, 61 per cent of them to less than one per cent.

Under experience rating in 1945, payments into the unemployment fund in the Treasury were 41 per cent less than they would have been under a flat 2.7 rate. Tennessee and Delaware were the extremes in reduced collections, respectively 19 and 78 per cent. Even with these reductions, and disbursements exceeding revenues for the first time in ten years, no state is near the bottom of the barrel. More than half of the \$7,000,000,000 which remains is credited to California, Illinois, New Jersey, New York, Ohio and Pennsylvania. At the end of last year, Wisconsin had disbursed less than one fifth of its fund; Michigan, three fifths, and other states less than half. North Dakota had a \$5,340,000 balance; New York, \$987,755,000, with other states in line with their per capita unemployment liability.

In nine months of last year, the latest period with complete figures, 3,025,000 claims were filed. Examiners rejected about one-twentieth, the largest number because the applicant had quit work voluntarily. The ratio of rejections varied. Tennessee rejected almost one third of all claims, while Montana rejected only four out of 1,100.

Eligibility varies

THOUGH most of those receiving compensation are eligible for the maximum, the nation cannot be blanketed under "\$20 a week for 26 weeks for everybody." The average weekly payment, last year, was \$18.93—compared to \$10.56 in 1940—while the average duration of payments was 8½ weeks. South Dakota averaged \$11.21 and Utah \$22.76. Connecticut, Hawaii, Michigan, New Jersey, Utah and Washington averaged above \$20 a week, and this year all states are more generous.

Unemployment compensation has ceased to be an experiment and is permanent in the industrial and social structure of every state. It is young as social advances go and more changes will be made to improve its operations and effectiveness.

A frequent criticism is its abuse by those who prefer loafing on compensation to working. Such cases are easy to find but each must expire in a limited number of weeks. Nor are they typical of the thousands receiving benefits, nor inherent in the system. Unemployment compensation laws are different in each state and administrators differ even more widely in their interpretation. Like a new

model machine, the "bugs" must be eliminated by trial and experience.

Unemployment compensation is not a welfare fund or a relief program. Nor is it what variously is referred to as a guaranteed wage or stabilized employment. It is not charity; nor is it wages to keep individuals from working. Unemployment is inevitable from changes in consumer demands, industrial conditions and seasonal fluctuations in many lines. Compensation is to tide over the worker while idle.

Employers pay the bill

THE unemployed worker, except in two states, has not contributed directly to the state fund, but his former employer has, or will in future weeks. The contributions have been part of the firm's operating expenses and, like other conveniences provided for employees, are for those individuals when out of work.

The uniformity of state laws shows the prevailing opinion that the employer should bear the cost. In a dynamic nation of free competition, employment cannot be rigid, but national efficiency requires that a subsistence standard of living be maintained when a worker is unemployed. The cost of preserving that efficiency is put on the employer. It also gives the employer an incentive to stabilize employment.

Another feature of unemployment compensation which always was clear to economists but which legislatures did not realize for several years is that a flat rate tax on all payrolls brings pressure on employers to decrease both the number of employees and wages. That brought experience rating into the laws of most states so that an employer's tax rate is fixed now according to the number of his former employees who drew compensation in the preceding tax period.

More changes in the unemployment compensation laws are certain when the state legislatures get into action at their coming sessions. Changes always are inevitable in local administrators. Compensation should not be a political weapon, doled out to put an unemployed worker under obligation to this or that official or party. Operation of the law in any state depends on its administrators, and it is as much to the interest of the worker and his organizations as it is to employers to insist that scrupulous and capable appointees administer the state unemployment laws.

*It ain't the individual, nor the army as a whole,
But the everlastin' teamwork of every bloomin' soul.*

J. MASON KNOX
(American humorist, circa 1900)



Teamwork Makes It Possible

WATCHING a formation of massed aircraft roar overhead, most people think only of the thrilling spectacle . . . the breathtaking speed . . . the marvelous coordination and timing of the pilots. Little thought is given to the groundwork that made the flight possible.

Much the same thing is true of a Chamber of Commerce in action. Onlookers see only an efficient, smooth-running organization. What they do not see is the teamwork taking place behind scenes . . . the men and women, working in close cooperation, planning and carrying out the various activities designed for community betterment.

But why be an onlooker? The Chamber in your community has room for you and work for you.

- ▶▶ NO MATTER how good your Chamber manager is, he can't do his most effective work without your help. Ask him what you can do. Then if you want to dig deeper into the possibilities of Chamber work, read "Local Chambers, Their Origin and Purpose." Ask for a copy. It's free.

Chamber of Commerce of the
United States of America
WASHINGTON 6 • DC



Reading for Pleasure or Profit...

"As He Saw It"

By Elliott Roosevelt

RUMOR has it that Faye Emerson wrote Elliott Roosevelt's book for him, and if so, good for Faye. "As He Saw It" (Duell, Sloane and Pearce, 270 Madison Avenue, New York, \$3) is absorbing: an intimate, after-hours picture of Elliott's father in the great days.

As Presidential aide, young Roosevelt was on deck at the historic moments from the signing of the Atlantic Charter to Teheran. When father and son gossiped together on these occasions, FDR was often funny and always frank. "Winnie," he quipped, "is a great man for the status quo. He even looks like the status quo, doesn't he?"

Winnie is the villain in "As He Saw It"—Winnie, with his plan to preserve the British Empire by flouting Russia, dividing the Allies, and continuing to exploit the colonies. FDR, on the other hand, saw no hope of lasting peace without allied unity, and without a higher standard of living for the "dependent peoples." He was deeply disturbed by the poverty he saw in Africa. Of colonial policies elsewhere, he said: "Don't think for a minute, Elliott, that Americans would be dying in the Pacific tonight, if it hadn't been for the shortsighted greed of the French and the British and the Dutch."

In "As He Saw It" President Roosevelt appears as the Great Conciliator, bringing the angry nations together with patience, firmness and some Olympian amusement.

"My Boyhood in a Parsonage"

By Thomas W. Lamont

ERIC FROMM, the psychologist, has described a close relation between capitalism and Protestant theology. There is no more fertile ground for the flowering of free enterprise, he says, than the Protestant faith.

A distinguished exemplar of this theory is Thomas W. Lamont, who has found time recently, amid his duties as chairman of the board of J. P. Morgan and Company, to pen a leisurely and charming account of his boyhood in a Methodist parsonage.

Mr. Lamont brings to life a village in the Catskills, a plain, pious but lively community, where few earned more than the parson's \$1,000 a year and the Methodist congregation addressed one another as "brother" and "sister." Young Methodists like Tommy signed the Blue Ribbon Temperance Pledge at the age of seven, and were confined to the back yard on Sunday, while they jealously watched Presbyterian children trooping to the woods.

Respectful of his religious heritage, Mr. Lamont enjoys, as well, much quiet amusement at the foibles of the faithful: old Uncle Henry's fanatical prayer for the salvation of those who go skating and miss church; the sermons of another divine, less learned than inspired, who urged repentance on "adults and adultresses."

Delightful days at Exeter and Harvard, and as a reporter on the New York *Herald-Tribune*, conclude "My Boyhood in a Parsonage" (Harper, 49 East 33rd Street, New York; \$2.50). Readers will warm to Mr. Lamont's own evident delight, as he recalls the amusing episodes and kindly ideals of a sunnier time.

"Where Are We Heading?"

By Sumner Welles

THERE is short shrift for Mr. Byrnes in "Where Are We Heading" (Harper, 49 East 33rd Street, New York; \$3). Byrnes, says Sumner Welles, has "only the most tenuous comprehension . . . of international affairs." "Franklin Roosevelt," he charges, "could never have foreseen that the moral obligations assumed by him at Yalta, in the name of the United States, would be weakly thrown away by an American Secretary of State ten months later."

Like the parent who alternately scolds and spoils, Byrnes, in Welles' opinion, has made tranquil relations with Russia nearly impossible. At Moscow he bowed before Molotov, betrayed our guarantee to Russia's satellites of free elections, and brought American prestige crashing down around him.

Then, at London and Paris, he talked tough—when it was too late. Scoring such vacillation and ignorance in foreign policy, Welles cites what he considers a typical case:

Edwin Pauley, while he was negotiating reparations in Moscow, agreed that Russia should confiscate all German assets in countries she occupied. Months afterward, he discovered that the Nazis had transferred almost the whole wealth of conquered nations to their own name.

This is to cite only one drop of the vitriol which Sumner Welles pours on current foreign policy. Around the world he goes, disapproving almost everywhere.

"The American Scene"

By Henry James

IN 1906 an "ancient, contemplative person," Henry James, returned to America from 30 years' absence. Living quietly in England, he had composed the massive and intricate novels which rank him among the two or three supreme

masters of American writing. Landing again in his native New York, he brought boundless enthusiasm and merciless insight to his study of a new America.

"The American Scene" (Scribner, 597 5th Avenue, New York; \$5), recently reissued, takes us to New York, Boston, Newport, Philadelphia, Washington and other east coast cities (James' notes on the West are yet to be published). With such a traveling companion, we notice more in minutes than most of us do in days. We observe, in detail, as never before, the russet and gold of a New Hampshire autumn, the prim, cold houses of New England, the uproarious Bowery, faded, aristocratic Richmond—the pied, fascinating motley of American life. Here is the U.S. in 1906, preserved for the national record with a vividness which does not tarnish.

Being of rare vintage, "The American Scene" is best enjoyed slowly, a few pages at a time. James never sees anything oversimply. Views, restaurants, skyscrapers, and every commonplace of the scene, serve him as keys to a multitude of reflections. Each object, for James, is soaked in the way of life which eddies round it.

"The Wild Flag"

By E. B. White

TOO MANY proponents of world government have been dreary and over-solemn, but not so E. B. White. On the first page of the *New Yorker* magazine, White has proposed world government with grace, wit and urgency since 1943. Now his editorials have been brought together in "The Wild Flag" (Houghton Mifflin, 432 4th Avenue, New York; \$2).

"Our advice," he says, "to the nations who call themselves united, is to go out and buy rings." Lovers' quarrels, while tolerable at home, are much too risky when the scale is world-wide. White describes this dangerous bickering among the nations in a novel, uniquely penetrating way—with homely analogies and back-yard examples to illustrate the folly of world anarchy.

Few are so lucid as E. B. White on the precise shortcomings and achievements of UN, and none has pointed out so colorfully just how much the first exceed the second. "Our belief," he says, "is that the way lies through a federation of democratic countries, which differs from a league in that it has a legislature that can legislate, a judiciary that can judge, and an executive that can execute."

"This Deadly Dark"

By Lee Wilson

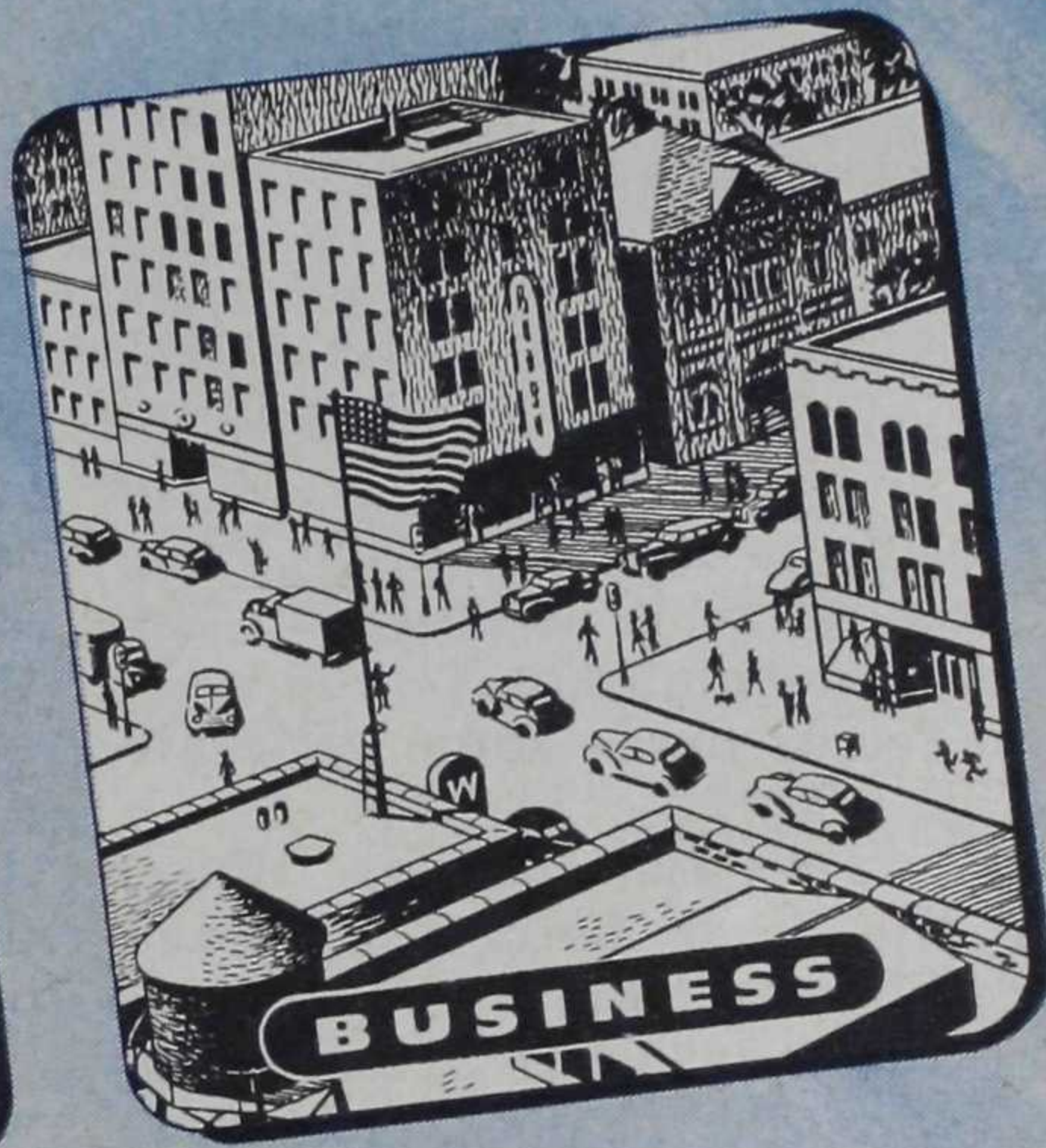
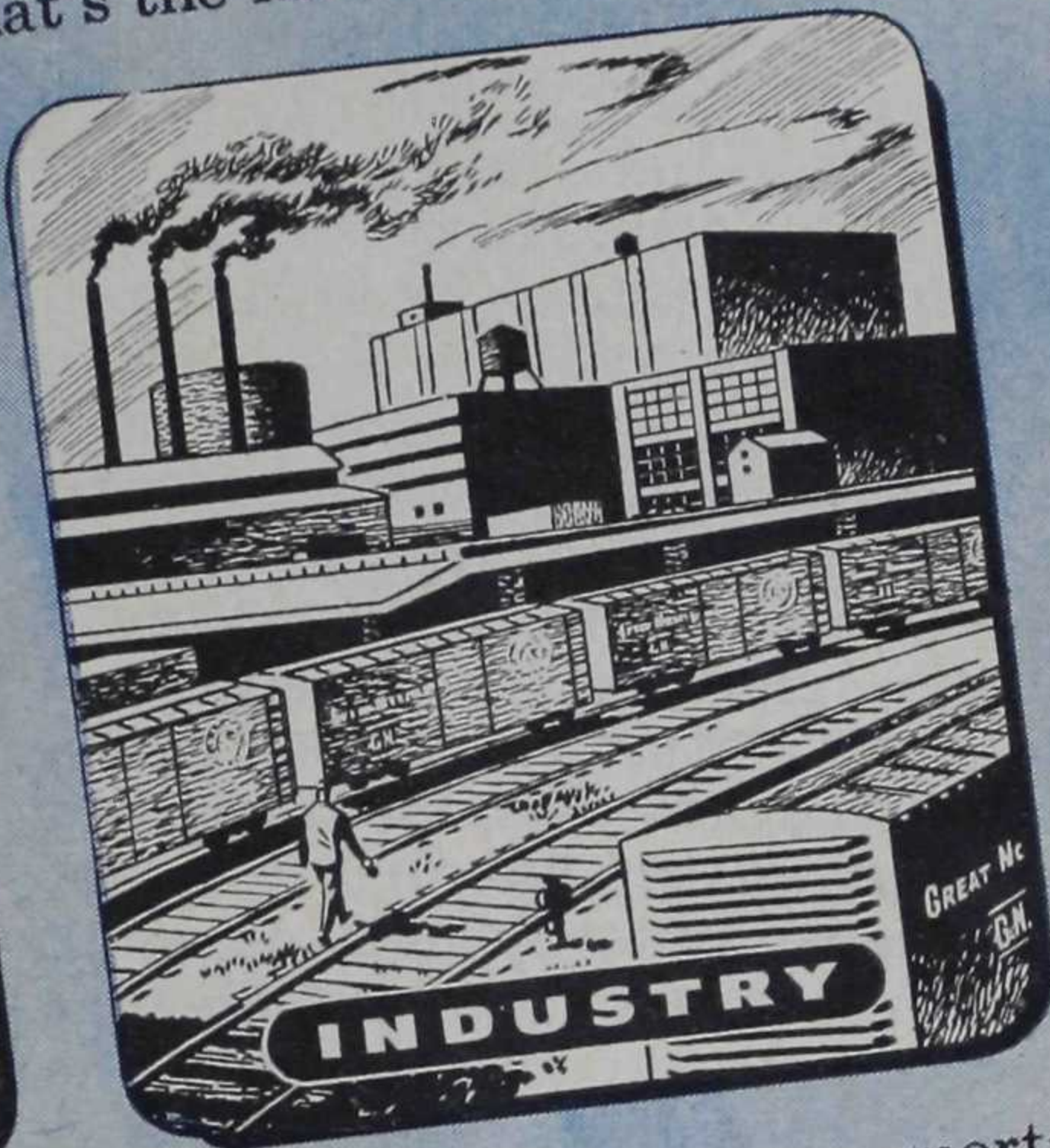
THE latest \$1,000 Red Badge prize went to an original and nimble tale, Lee Wilson's "This Deadly Dark" (Dodd, Mead, 432 Fourth Avenue, New York; \$2.50). Matt Foster, a likable, lively reporter, on a routine murder assignment, is blinded by a sadistic assailant. After weeks in the hospital he begins a relentless search, through the darkness that surrounds him, for the motive which will explain and reveal his attacker. By touch, smell and sound, he finds his way through a maze of slums and clues to solve the puzzle. A suspenseful tour-de-force.

—BART BARBER

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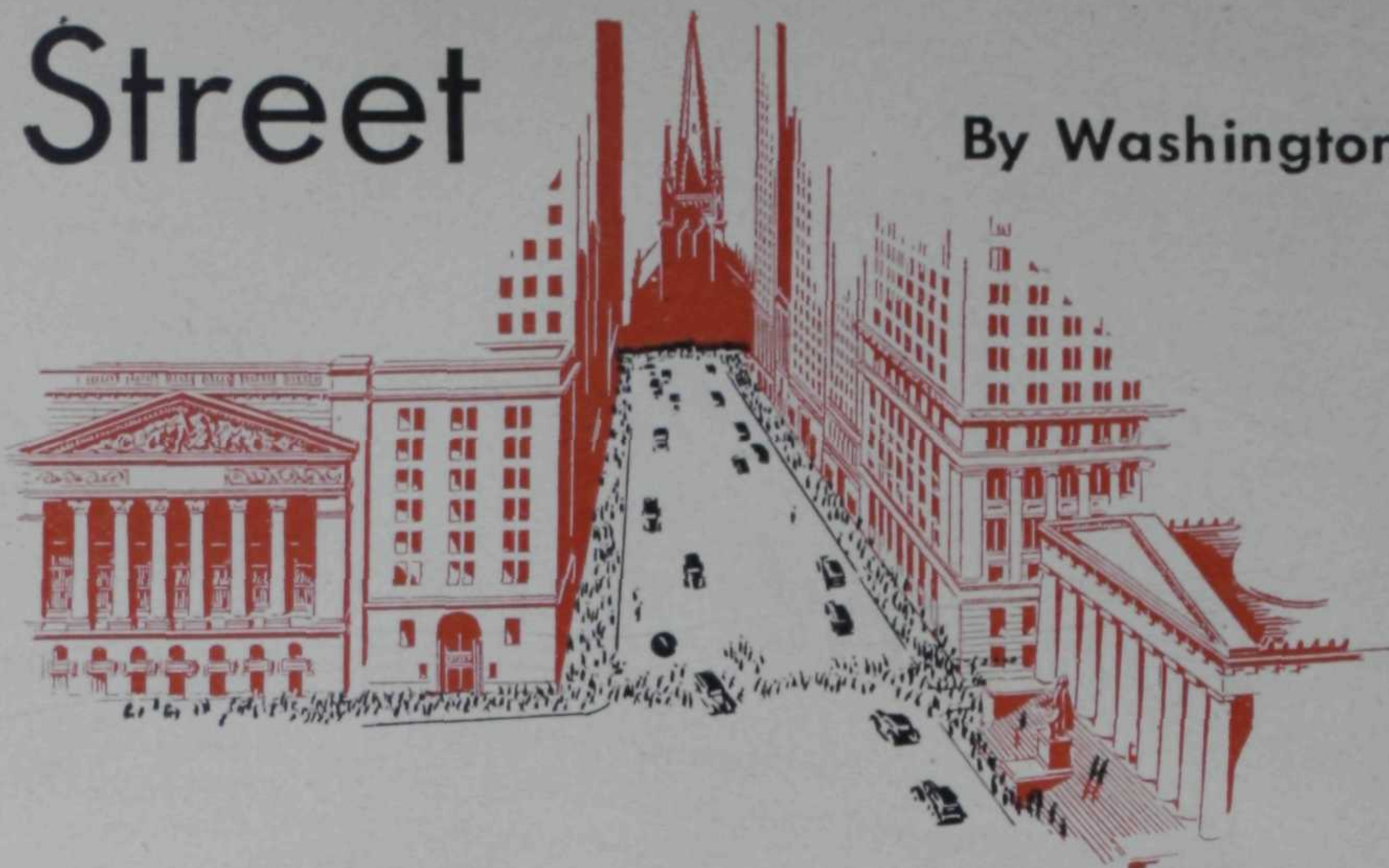
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Our Street

By Washington Dodge



Of the market

ASKED what he thought of the stock market, the late Secretary Andrew Mellon is said to have replied, "It will fluctuate."

Once again stocks have revealed their decided ability to do just that.

Whether the decline that is occurring as this column is written shall turn out to be the end of the Great Inflationary Market of the '40's, or to have been merely a violent reaction, it is not for this writer to decide here.

But let us make some generalities:

1. *Bears are akin to frogs.* "Where were the frogs before it rained, daddy?" I don't know. And I don't know why now there are so many bears who said they saw this financial downpour coming whereas before it happened the only audible bruin voices were those of chronic pessimists. (The latter are right occasionally—even a stopped clock is right twice a day.)

2. *Putting the chart before the horse.* Chartists are now explaining how their chart systems foretold the decline. Most of them voice the perennial lament of the chartists: "It was all there in black and white, but I didn't have faith enough to follow it."

3. *Pretty ones, too.* Again the market has demonstrated that in periods of great movements it has no respect for individual issues. The late George Baker is credited with the remark that in the event of a fire in a certain type of establishment "the pretty girls run with the rest." Investment yardsticks determine value—the market determines price. (But take cheer, professionals agree that it would be easier to pick ten stocks that would do better than the mar-

ket in a decline than it would be to pick ten that would do worse in a big up-market.)

4. *"They."* I have yet to meet an intelligent broker who believes in the existence of that nebulous "They"—a nefarious coterie of moneyed individuals who eternally manipulate prices to their own great increment and the public's impoverishment. But the hue and cry for an "investigation" reveals that this canard still prevails—and indicates that Our Street's public relations job is still unfinished. Naturally prices are influenced by the movements of men of great wealth, but that does not preclude profits by men of small wealth but adequate intelligence and is entirely apart from the "They" conspiracy.

5. *When?* A great many reasons have been advanced for the decline. All of them (except those having to do with "They," with sunspots, and with Soviet Agents Provocateurs) have merit. But I have never heard a logical explanation of why prices start to break on a particular day. Or even during a particular month or quarter. If labor troubles made the market go down, they should have done it months before September. Or, equally logically, not until months afterwards. I am convinced that intelligent opportunism is as important in investment and speculation as economic prowess.

Now, to generalize on all the preceding generalities, let us just say that recent events prove the stock market is as it always was; and human nature, too. There are hundreds of truisms about speculation. My first boss gave me a

slogan that sums most of them up, "Stocks were made to sell—otherwise they wouldn't give you a piece of paper."

★ ★ ★ ★ ★

Hope

MARKET bulls, like swains, read hope into everything.

There is a certain land company whose shares tripled on rumors of oil. The company's annual report devoted one sentence to this, saying simply, "There are no oil developments of interest at this time." The leading bull in the stock flaunted the statement. "Read those ten words between the lines," he shouted, momentarily forgetting his metaphor, "It's confirmation of everything I have said about their having found oil." (And he had said a lot.)

★ ★ ★ ★ ★

Seasonal notes

THIS is the time of year when prominent business men receive requests for prophecies. Which reminds me that in 1931 one newspaper asked some leading industrialists for a 300 word statement on what they expected business to do in 1932. The editor was very surprised when he received the simple message "GO TO HELL" over the signature of a foremost manufacturer. Inquiry revealed that in this case the request had asked for a "3-word statement."

(1931—the year that the favorite New Year's salutation was, "I hope you have business reversals next year"—the year Our Street



Brown Bros. photo of immigrants at Ellis Island early in the century.

They Believed in Miracles

Whether they landed at Plymouth Rock in one generation or at Ellis Island in another, they came *believing in miracles*. The Miracle of Freedom—in speech, thought, action. The Miracle of Opportunity—to work, save, build for the future.

Believing in miracles, they recognized no obstacles. The result: *America, with only 6% of the world's population, produces 25% of the world's goods, possesses 50% of the world's wealth.*

They and their descendants played a vital part in perfecting mass production, mass distribution, mass investment and turned out more goods and better goods...at

lower cost but at higher wages than had ever been done before in world history.

Yes, generation after generation they prospered, took root, grew with the nation—in crafts, in the professions, in government, in

agriculture, in businesses large and small. As thrifty investors, they backed their confidence in the nation with their savings.

All had a share in the greatness of America. Believing in miracles, they made them come to pass.

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IN THE HEART OF AMERICA

quipped, "Have no fears for '32—Goldman, Sachs will pull us through"—the year Stock Exchange seats seemed cheap at \$125,000.)

★ ★ ★ ★ ★

Classified

ALONG Our Street are many by-paths where the general broker treads not and the specialist works alone. A glance at the trade's "Red Book," a national directory of firms, reveals some of these classifications. For instance, there is the unique business of dealing in "worthless securities." The oldest firm in this line is *R. M. Smythe & Co.*, described in the "Red Book" as "Dealers in Inactive Securities & Appraisers of Obsolete, Extinct & Closely Held Securities." This firm was founded in 1880 by Smythe, one of whose idiosyncrasies was abhorrence of the telephone and refusal to have one. He fought a game but losing battle to be listed in the Telephone Book with the notation "No Telephone." Another firm in the same line is *Lichenstein & Co.*, "Dealers in Inactive & Unlisted Securities, specializing in 'cats and dogs'."

Many is the time that careful detective work has shown a supposedly worthless security exchangeable into securities of very definite worth. Mr. Smythe knew of a broker who had bought a bundle of worthless coal company bonds to paper a den.

Later it was found that these bonds were assumed by a going concern and could be redeemed. Rather than rip up his den, the broker invited the corporation's secretary to his house and had him stamp "Cancelled" on every bond before remitting a substantial check.

★ ★ ★ ★ ★

Glancing through the same "Red Book" one notes that *J. P. Morgan & Co.*'s business is simply "General Banking & Trust," whereas many a firm of unknown parentage, slight present reputation, and uncertain future, devotes a dozen lines to a description of the many phases of the securities business in which it engages (or hopes to). And the shortest name seems to be *Re and Re* of New York. *Casparry & Co.*, members of the Exchange, seem to relish a certain unreconstructed attitude by proclaiming themselves "Market Operators."

A striking name is Montreal's

Forget & Forget, unfortunately for the purpose of this paragraph being pronounced by those who know, *Fojay & Fojay*. Another odd business is that of Jersey City's *Moore & Co.*, "clearance brokers." Their specialty arises from the fact that, to escape New York state transfer taxes, many unlisted trades, especially those involving blocks of cheap stocks, are made physically in New Jersey. Use of a "clearance broker" establishes the sale beyond doubt.

Other unusual classifications include *William Todd, Inc.*, "dealers in Race Horse Securities," and *Textile Shares Corp.*, "A trading organization providing for Banks, Brokers, Factors, & Investors, a highly specialized service on all classes of Textile Securities." And a footnote to the listing of Seattle's *Mrs. Mercedes Buschman*, "Broker in Listed and Unlisted Issues," reveals that "Address shown is Mrs. Buschman's residence."

Who has the honor of being the oldest security firm I do not know, but New Haven's *Edward M. Bradley & Co.* was founded in 1868. And in closing this dissertation on miscellanea, let me note that what used to seem a most foreboding name, *Slaughter & Fox*, is now simply *Slaughter & Company*.

★ ★ ★ ★ ★

Investment companies

ONE characteristic of this year's bull market has been that the investment trusts (now called investment companies for obviously sound public relations reasons) have emerged from the disgrace into which they fell after 1929. The reasons for their lapse from favor were many.

Most of the trusts were formed at boom prices. Many operated on borrowed capital so that the effects of a declining portfolio were magnified on the common shares. Many were managed by people without the qualifications.

The investment company, which is essentially a pooled fund managed by experts, meets many investment requirements.

The records of most of these companies in recent years have been very good, and their operations are strictly regulated by SEC under the Investment Company Act.

For the renewed popularity of this type of share, the major credit perhaps belongs to *Arthur Wiesenberger & Company*. Just before the war began, Arthur Wiesenberger, who founded his own firm in 1938,

EXECUTIVES

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was developing a very nice stock exchange business with British and European firms. With this cut off, he looked around for something in which to specialize and hit upon the long neglected and despised investment company shares. He put out a small brochure which has developed into an annual opus as fat as a couple of *Fortunes* and widely sold at \$10 a copy. Its perusal is recommended to anyone interested in the subject. For Wiesenberger, the specialization has been a happy one, some of the more speculative investment company shares having risen from dozens of pennies to dozens of dollars.

STATEMENT OF THE OWNERSHIP, MANAGEMENT, CIRCULATION, ETC., REQUIRED BY THE ACT OF CONGRESS OF AUGUST 24, 1912, AS AMENDED BY THE ACTS OF MARCH 3, 1933, AND JULY 2, 1946 OF NATION'S BUSINESS, published monthly at Greenwich, Connecticut and Washington, D. C. for October 1, 1946.

City of Washington, County of District of Columbia, ss. Before me, a Notary Public in and for the state and county aforesaid, personally appeared Lawrence F. Hurley, who, having been duly sworn according to law, deposes and says that he is the Editor of *Nation's Business*, and that the following is, to the best of his knowledge and belief, a true statement of the ownership, management, etc., of the aforesaid publication for the date shown in the above caption, required by the Act of August 24, 1912, as amended by the Acts of March 3, 1933, and July 2, 1946 (section 537, Postal Laws and Regulations), to wit:

1. That the names and addresses of the publisher, editor, managing editor, and business managers are: Publisher, Chamber of Commerce of the U. S. of America, Washington, D. C.; Editor, Lawrence F. Hurley, Washington, D. C.; Managing Editor, Paul McCrea, Washington, D. C.; Business Manager, John F. Kelley, Washington, D. C.

2. That the owner is: Chamber of Commerce of the United States of America, said body being an incorporated organization under the laws of the District of Columbia, its activities being governed by a Board of Directors. The officers are as follows: President: William K. Jackson, Vice President, United Fruit Company, 1 Federal St., Boston, Mass. Vice Presidents: Earl O. Shreve, Vice President, General Electric Company, 570 Lexington Avenue, New York, 22, N. Y.; Carlyle Fraser, President, Genuine Parts Company, 475 West Peachtree Street, Atlanta, Ga.; Roy C. Ingersoll, President, Ingersoll Steel & Disc Division, Borg-Warner Corp., 310 S. Michigan Avenue, Chicago, Ill.; Elmer H. Sexauer, President, George P. Sexauer & Son, Brookings, S. D.; Joseph W. Evans, Evans & Company, Cotton Exchange Building, Houston, Texas; Walter J. Braunschweiler, Vice President, Bank of America, 660 S. Spring Street, Los Angeles, Calif. Treasurer: Ellsworth C. Alvord, Alvord and Alvord, Munsey Building, Washington, D. C. General Manager: Ralph Bradford, Chamber of Commerce, U. S. A., 1615 H Street, N. W., Washington, D. C.

3. That the known bondholders, mortgagees, and other security holders owning or holding 1 per cent or more of total amount of bonds, mortgages, or other securities are: None.

4. That the two paragraphs next above, giving the names of the owners, stockholders, and security holders, if any, contain not only the list of stockholders and security holders as they appear upon the books of the company but also, in cases where the stockholder or security holder appears upon the books of the company as trustee or in any other fiduciary relation, the name of the person or corporation for whom such trustee is acting, is given; also that the said two paragraphs contain statements embracing affiant's full knowledge and belief as to the circumstances and conditions under which stockholders and security holders who do not appear upon the books of the company as trustees, hold stock and securities in a capacity other than that of a bona fide owner; and this affiant has no reason to believe that any other person, association, or corporation has any interest direct or indirect in the said stock, bonds, or other securities than as so stated by him.

LAWRENCE F. HURLEY
(Signature of Editor)

Sworn to and subscribed before me this 4th day of October, 1946.
(Seal)

WALTER HARTLEY
(My commission expires August 15, 1947)

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On the Lighter Side of the Capital



It's a long, dark road

THE Senator said that, after considerable search, he has found an editor with whom he can agree. Most of these journalists—and in his more active days it was considered purely abominable to call a reporter a journalist—are too bright and happy, he said. They try to stay in with the advertisers by pretending that civilization will likely last until the new whisky comes out of bond, by which time nothing will make much difference anyway.

"This editor I just found," he said, "hits the nail right plumb between the eyes. I carried this editorial of his in my pocket all through the campaign and whenever I began to cheer up I'd take it out and read it. It was like having a buckeye in your pocket to keep off the rheumatism. It wasn't possible to read that editorial and then look into the future with anything but foreboding and nausea."

Like the story his Grandpa used to tell of Noah on board the Ark. It wasn't the 40 days' rain that bothered Noah, but the thought of the dry weather that was bound to come. Here is the editorial:

An invitation to melancholy

"IT IS a gloomy moment in history. Not in the lifetime of most men who read this paper has there been so much grave and deep apprehension. Never has the future seemed so incalculable.



"In France the political cauldron seethes and bubbles with uncertainty. Russia hangs as usual, like a cloud, dark and silent upon the horizon of Europe, while all the energies, resources and influences of the British Empire are sorely tried in coping with the vast and deadly Indian insurrection and with its disturbed relations to China. Of our own troubles no man can see the end."

The only cheering thought, said the Senator, is that the world is at

least holding its own. That editorial was from *Harper's Weekly* of October 10, 1857—89 years ago.

Here comes the Eightieth

MEMBERS of the incoming Congress are drifting into the city. Some of the re-elected are pale and shaken — metaphorically — as might be the survivors of a great storm.

"Another storm's on the fire right now," one man reported. "Coming up!"

The veterans often report that a campaign period has been unique for this reason or that, but this time they are more emphatic. In Wisconsin the American Legion sponsored citizenship education in the Badger Boys State and the Badger Girls State. Mythical cities were set up and the boys and girls campaigned for elective offices and actually practiced running a government.

The report of congressmen who met these youngsters and submitted to their rapid fire questioning is that the experience was a chastening one. Their eagerness was alarming. So was their silence when the man on the pillory sliced his answer. The old bonhomie wouldn't do.

Answer yes or no

REPORTS from the National Press Club's stand-up bar are that the fresh congressmen—the newcomers—are pretty cocky. They have not yet been rubbed down to size. The veterans are inclined to be a trifle moody. One of them, who has been around awhile, said:

"The 1946 campaign wasn't so much political as it was a quiz program. The 80th Congress was born to trouble."

Clarence J. Brown of Ohio hit on a formidable idea when he suggested that congressmen should have assistant congressmen to take care of the personal wants of constituents and so relieve the Number One men to handle the big jobs. Nothing will come of that suggestion, however.

Advice to the lovelorn

LADIES of the upper levels of Washington society—of the superstrata whereon ambassadors and dukes and well-to-do strangers are to be found—are advised that Dimitri Manuisky is being preceded by a report that he is an authentic Slavonic charmer. He is reputed to be deep-eyed, soulful and strong. The precise foundation for this reputation is not clear, but there it is. Stalin has selected him as the ambassador to the United States from the Ukrainian republic, which Manuisky purged into being a member of the Soviet Union.

It is true that a fair-sized underground army in the Ukraine is resisting the Soviet benevolences. No doubt Mr. Manuisky has been briefed on the pitfalls the Washington bourgeois dig before diplomatic feet. The last Soviet ambassador to be really elaborate in his social doings was Mr. Troyanovsky, who is now a clerk, third class, in Moscow.



These things may happen

DURING the 80th Congress—

We might get out of China on some kind of a hoss-trade with Russia. We will not keep our troops there just to save face for Chiang Kai-shek.

Army and Navy funds will be cut but not deeply.

The Wagner Act will be amended to give employers a break.

Aid to Europe will be cut to a fraction of the present giving. Even this will depend on UNRRA's ability to justify its history.

Federal employment will be reduced—somewhat.

An amended Case bill will be enacted, setting up a fair labor policy.

The State Department will be probed.

There will be less emotion than in the 79th. Perhaps.

Tempered by Mr. Lewis

"CAP" Joe Krug wanted to take a \$35,000 job in industry instead of accepting the secretaryship of the Interior.

Mr. Truman, aided and abetted by those who spoke of gratitude and loyalty and friendship, sat on Cap. Krug's head until he said yes.

"He should be worth \$50,000 a year now," sniggered some faithless wretches in the Department of the Interior. "He has had his bap-

tism by fire and John L. Lewis." Krug might get it, too. The job is open, and the taste of politics is bitter in his mouth.

Thanks to the Little Flower

THERE are those in Washington who give thanks querulously to Fiorello LaGuardia, head of UNRRA, and not long ago the Mayor of New York. The FAO, the international food administration of the United Nations, was being set up:



"It would control food supplies for the whole abounding world," said one of the complainants referred to. "The old law of supply and demand, not to speak of 30 day cash, would be dispensed with. Just for instance—

"In 1950 we would have 12 per cent less sugar in the United States than we are accustomed to. The difference would go somewhere else. Most of the cost of the FAO would be assessed against faithful Uncle Sam, who loves his neighbor better than himself."

Then some one wanted to know whether hungry folk got the UNRRA food that went to Yugoslavia or whether it went to Tito's army, and Mr. LaGuardia partially blew his top. He would not give Congress the information and he was right, because UNRRA is an international organization and not subject to congressional prying. So some important people said that would be true of FAO, and we might find ourselves in the position of paying most of the cost of taking food out of our own mouths when we were actually hungering for it. Fiorello gets an assist.

A one-man depression

THE Senator nodded across the Senate restaurant to Lindsay Warren. Mr. Warren nodded back gloomily. He was eating bean soup, which did not account for his attitude, it being well known to Washington correspondents who occasionally knock off a little extra on space rates that the Senate's bean soup is the best in the world.

"He's unhappy," said the Senator. "He's been right all the time."

Mr. Warren is the comptroller general of the United States. He has a 15 year term, he cannot be dislodged by any one, and if he wished he could tell the President of the United States to go sit on a tack and there would be no repercussions.

"He used to fire warnings at the happy war spenders that every fifth dollar was being wasted, and they went right on spending, on the proven theory that when the war was over nothing would be done about it.

"Down the drain."

A small, forgotten thing

THE Senator said that he literally stumbled over something the other day. Nothing much, mind you. Just big enough to explain why the comptroller general is getting gray hairs.

"During those lovely days when some anonymous guys in the State Department were ladling out gravy with a lend-lease spoon President Santos of Colombia heard of the goings-on. Just as a gamble, you might say, he asked for a loan of \$2,000,000 to fix up some patrol boats so they could run. He would pay interest—

"The State Department offered him \$15,000,000. Santos said that was too much. The S.D. reluctantly cut the offer to \$8,000,000 without interest. The S.D. boys twined leaves in their hair, made him agree to take \$15,000,000 of this and that, and had actually delivered almost half that amount when the war ended."

The Senator said that probably nobody cared.



The way of the turtle

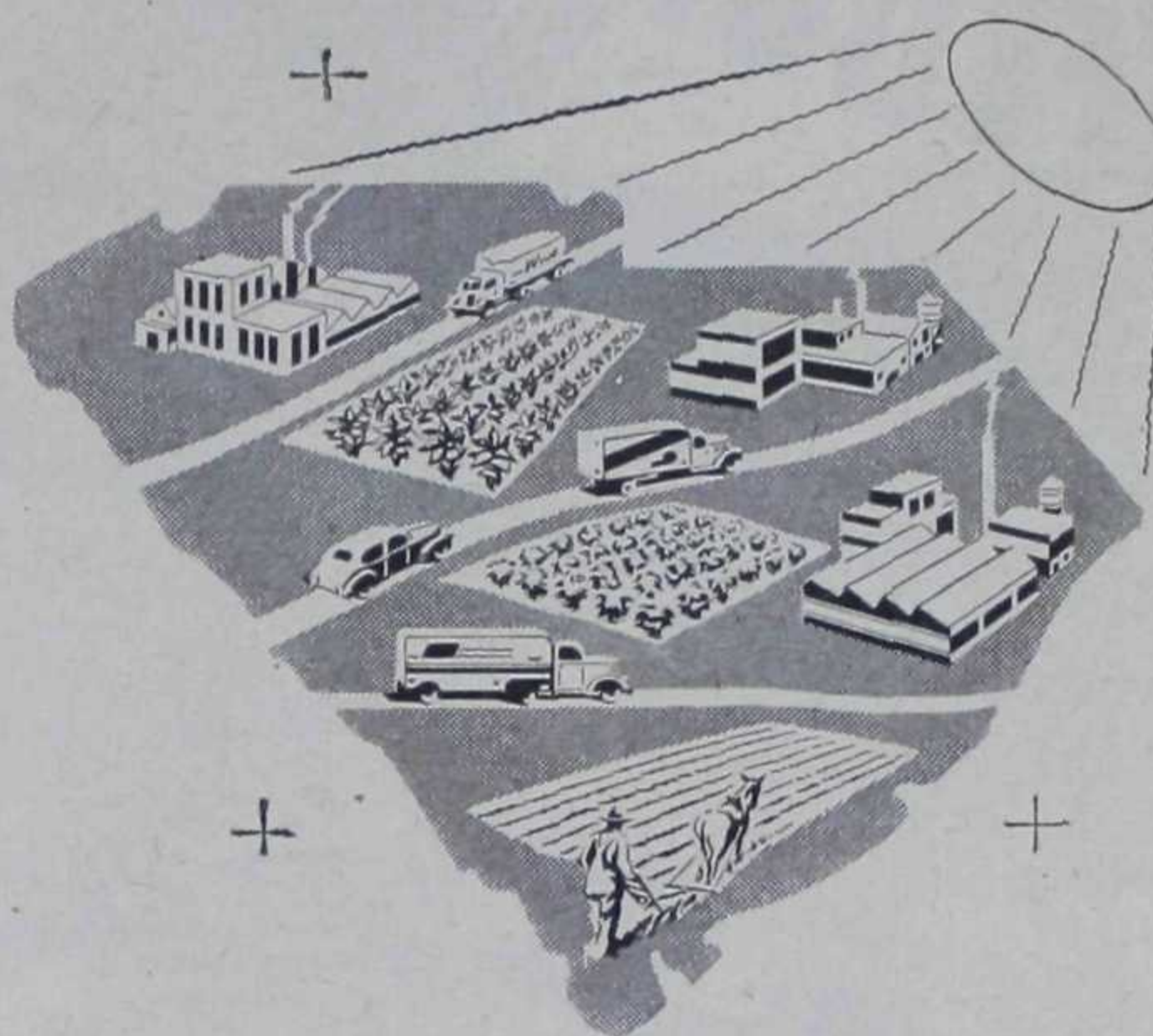
A LISTENER noted, however, that the turtle never begins to get anywhere until he sticks his neck out. The congressional turtle, he thought, is heading toward the State Department and gritting its teeth. An effort will be made to reduce it to order.

"What a chance," observed the pessimistic statesman. "It would be like investigating a pool filled with small catfish, all darting whichways, and each of them hard to handle."

The listener said that the turtle need catch only one fish at a time. There are, for example, the embassies at London and Paris. The report is that they are overstaffed and unduly costly. He thinks that may be one reason why O. Max Gardner, being not particularly happy in the Treasury, may be sent to London as ambassador. He might, just possibly, be a clean-up gang on his own. He has the reputation of being a wiz when he gets mad enough.



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